

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5273**

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2001; 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:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the
4 amounts listed in this part are appropriated for the department of agri-
5 culture for the fiscal year ending September 30, 2001, from the funds
6 indicated in this part. The following is a summary of the appropriations
7 in this part:

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2

For Fiscal Year Ending
September 30, 2001

1 DEPARTMENT OF AGRICULTURE

2 APPROPRIATION SUMMARY:

3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	653.5	
5	GROSS APPROPRIATION.....	\$	100,448,100
6	Interdepartmental grant revenues:		
7	IDG from MDCH, local public health operations.....		8,977,500
8	IDG from MDCIS (LCC), liquor quality testing fees....		161,100
9	IDG from MDCIS (LCC), nonretail liquor license fees..		457,200
10	IDG from MDEQ, sewer sludge.....		70,000
11	IDG from MDEQ, type II well survey.....		15,000
12	Total interdepartmental grants and intradepartmental		
13	transfers.....		9,680,800
14	ADJUSTED GROSS APPROPRIATION.....	\$	90,767,300
15	Federal revenues:		
16	DAG-AMS, cooperative agreement.....		1,155,400
17	DAG-APHIS, plant and animal disease and pest control.		55,000
18	DAG-ERS-ARED.....		126,100
19	DAG, federal/state marketing improvement program.....		100,000
20	DAG-FS, multiple grants.....		1,981,200
21	DAG-NRCS.....		250,000
22	EPA, multiple grants.....		250,000
23	EPA-OECA, pesticides enforcement program grants.....		1,510,000
24	EPA-OW, water pollution control, lake restoration		
25	cooperative agreements.....		236,300
26	EPA-RCRA.....		165,000

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1	HHS-FDA.....	208,000
2	Total federal revenues.....	6,037,000
3	Special revenue funds:	
4	Total local revenues.....	0
5	Private - oil company overcharge settlement.....	991,900
6	Private - slow-the-spread foundation.....	130,000
7	Total private revenues.....	1,121,900
8	Agriculture equine industry development fund.....	13,159,000
9	Civil penalties.....	60,000
10	Commodity inspection fees.....	991,500
11	Food handler licensing fees.....	1,105,400
12	Gasoline inspection and testing fund.....	1,523,100
13	Groundwater and freshwater protection fund.....	4,577,800
14	Industry support funds.....	270,000
15	Licensing and inspection fees.....	3,486,000
16	Michigan state fair revenue.....	7,162,700
17	Pseudorabies and swine brucellosis fund.....	87,100
18	Testing fees.....	167,100
19	Upper Peninsula state fair revenue.....	1,209,000
20	Weights and measures regulation fees.....	323,400
21	Total other state restricted revenues.....	34,122,100
22	State general fund/general purpose..... \$	49,486,300
23	Sec. 102. EXECUTIVE	
24	Full-time equated unclassified positions.....6.0	
25	Full-time equated classified positions.....67.0	
26	Commission and boards..... \$	63,300

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1	Unclassified positions--6.0 FTE positions.....	477,200
2	Executive direction--4.0 FTE positions.....	440,500
3	Management services--58.0 FTE positions.....	5,260,900
4	Statistical reporting service--5.0 FTE positions.....	461,300
5	Environmental technology research grant.....	<u>1,500,000</u>
6	GROSS APPROPRIATION..... \$	8,203,200
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from MDCIS (LCC), nonretail liquor license fees..	8,800
10	Special revenue funds:	
11	Gasoline inspection and testing fund.....	47,800
12	Industry support funds.....	5,000
13	Licensing and inspection fees.....	62,100
14	Michigan state fair revenue.....	77,600
15	Upper Peninsula state fair revenue.....	9,000
16	State general fund/general purpose..... \$	7,992,900
17	Sec. 103. DEPARTMENTWIDE	
18	Building occupancy charges - property management	
19	services..... \$	843,000
20	Rent.....	<u>289,700</u>
21	GROSS APPROPRIATION..... \$	1,132,700
22	Appropriated from:	
23	Special revenue funds:	
24	Gasoline inspection and testing fund.....	3,200
25	State general fund/general purpose..... \$	1,129,500
26	Sec. 104. FOOD AND DAIRY	

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1	Full-time equated classified positions.....	122.0	
2	Food safety and quality assurance--	122.0 FTE	
3	positions.....		\$ 10,610,800
4	Local public health operations.....		<u>8,977,500</u>
5	GROSS APPROPRIATION.....		\$ 19,588,300
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from MDCH, local public health operations.....		8,977,500
9	Federal revenues:		
10	DAG-AMS, cooperative agreement.....		22,500
11	HHS-FDA.....		183,600
12	Special revenue funds:		
13	Civil penalties.....		60,000
14	Food handler licensing fees.....		1,105,400
15	Licensing and inspection fees.....		1,336,400
16	State general fund/general purpose.....		\$ 7,902,900
17	Sec. 105. ANIMAL INDUSTRY		
18	Full-time equated classified positions.....	55.0	
19	Animal health and welfare--	26.0 FTE positions.....	\$ 2,253,200
20	Bovine tuberculosis program--	29.0 FTE positions.....	<u>3,488,900</u>
21	GROSS APPROPRIATION.....		\$ 5,742,100
22	Appropriated from:		
23	Federal revenues:		
24	HHS-FDA.....		9,000
25	Special revenue funds:		
26	Licensing and inspection fees.....		34,500

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1	Pseudorabies and swine brucellosis fund.....	87,100
2	State general fund/general purpose..... \$	5,611,500
3	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
4	Full-time equated classified positions.....133.3	
5	Pesticide and plant pest management--133.3 FTE	
6	positions..... \$	12,853,900
7	Disease and pest intervention fund.....	201,800
8	Michigan State University.....	210,000
9	Orchard or vineyard removal.....	<u>50,000</u>
10	GROSS APPROPRIATION..... \$	13,315,700
11	Appropriated from:	
12	Federal revenues:	
13	DAG-AMS, cooperative agreement.....	36,400
14	DAG-APHIS, plant and animal disease and pest control.	34,600
15	DAG-FS, multiple grants.....	1,881,200
16	EPA-OECA, pesticides enforcement program grants.....	1,510,000
17	HHS-FDA.....	15,400
18	Special revenue funds:	
19	Private - slow-the-spread foundation.....	130,000
20	Commodity inspection fees.....	991,500
21	Licensing and inspection fees.....	2,053,000
22	State general fund/general purpose..... \$	6,663,600
23	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
24	Full-time equated classified positions.....48.0	
25	Environmental stewardship--38.0 FTE positions..... \$	3,563,500
26	Groundwater and freshwater protection program--10.0	
27	FTE positions.....	5,077,800

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1	Energy conservation program.....	138,000
2	Forest stewardship program.....	100,000
3	Local conservation districts.....	2,899,900
4	Migrant labor housing.....	<u>1,000,000</u>
5	GROSS APPROPRIATION..... \$	12,779,200
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from MDEQ, sewer sludge.....	70,000
9	IDG from MDEQ, type II well survey.....	15,000
10	Federal revenues:	
11	DAG-FS, multiple grants.....	100,000
12	DAG-NRCS.....	250,000
13	EPA, multiple grants.....	250,000
14	EPA-OW, water pollution control, lake restoration	
15	cooperative agreements.....	236,300
16	EPA-RCRA.....	165,000
17	Special revenue funds:	
18	Private - oil company overcharge settlement.....	193,900
19	Groundwater and freshwater protection fund.....	4,577,800
20	Industry support funds.....	40,000
21	State general fund/general purpose..... \$	6,881,200
22	Sec. 108. LABORATORY PROGRAM	
23	Full-time equated classified positions.....132.0	
24	Laboratory analysis program--73.5 FTE positions..... \$	5,831,700
25	Pesticide data program--14.0 FTE positions.....	1,096,500
26	Consumer protection program--44.5 FTE positions.....	<u>3,240,800</u>

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1	GROSS APPROPRIATION.....	\$	10,169,000
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDCIS (LCC), liquor quality testing fees....		161,100
5	Federal revenues:		
6	DAG-AMS, cooperative agreement.....		1,096,500
7	DAG-APHIS, plant and animal disease and pest control.		20,400
8	Special revenue funds:		
9	Private - oil company overcharge settlement.....		798,000
10	Agriculture equine industry development fund.....		500,000
11	Gasoline inspection and testing fund.....		1,472,100
12	Testing fees.....		167,100
13	Weights and measures regulation fees.....		323,400
14	State general fund/general purpose.....	\$	5,630,400
15	Sec. 109. MARKET DEVELOPMENT		
16	Full-time equated classified positions.....	21.5	
17	Marketing and emergency management--15.5 FTE		
18	positions.....	\$	2,244,000
19	Agriculture development--6.0 FTE positions.....		1,145,100
20	Food bank.....		1,274,100
21	Grown in Michigan.....		100,000
22	Northwest Michigan horticultural research station....		41,800
23	Southwestern Michigan tourist council - taste of		
24	Michigan.....		60,400
25	Future farmers of America.....		60,000
26	Michigan integrated food and farming systems.....		<u>100,000</u>

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1	GROSS APPROPRIATION.....	\$	5,025,400
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from MDCIS (LCC), nonretail liquor license fees..		448,400
5	Federal revenues:		
6	DAG-ERS-ARED.....		126,100
7	DAG, federal/state marketing improvement program.....		100,000
8	Special revenue funds:		
9	Industry support funds.....		225,000
10	State general fund/general purpose.....	\$	4,125,900
11	Sec. 110. FAIRS AND EXPOSITIONS		
12	Full-time equated classified positions.....35.0		
13	Michigan state fair operations--22.0 FTE positions... \$		6,994,300
14	Upper Peninsula state fair--8.0 FTE positions.....		1,375,700
15	Fairs and racing--5.0 FTE positions.....		604,300
16	Building and track improvement - county and state		
17	fairs.....		966,300
18	Premiums - county and state fairs.....		1,707,900
19	Purses and supplements - fairs/licensed tracks.....		2,438,200
20	Standardbred Fedele Fauri futurity.....		80,800
21	Standardbred Michigan futurity.....		80,800
22	Quarterhorse programs.....		39,600
23	Licensed tracks-light horse racing.....		76,700
24	Standardbred breeders' awards.....		1,234,400
25	Standardbred purses and supplements-licensed tracks..		276,500
26	Standardbred sire stakes.....		1,034,200

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1	Thoroughbred sire stakes.....	1,034,200
2	Standardbred training and stabling.....	43,700
3	Thoroughbred program.....	1,809,800
4	Thoroughbred owners' awards.....	155,700
5	Distribution of outstanding winning tickets.....	500,000
6	Michigan festivals.....	85,000
7	Draft horse shows.....	<u>100,000</u>
8	GROSS APPROPRIATION..... \$	20,638,100
9	Appropriated from:	
10	Special revenue funds:	
11	Agriculture equine industry development fund.....	8,804,600
12	Michigan state fair revenue.....	7,085,100
13	Upper Peninsula state fair revenue.....	1,200,000
14	State general fund/general purpose..... \$	3,548,400
15	Sec. 111. OFFICE OF RACING COMMISSIONER	
16	Full-time equated classified positions.....39.7	
17	Office of racing commissioner--39.7 FTE positions.... \$	<u>3,854,400</u>
18	GROSS APPROPRIATION..... \$	3,854,400
19	Appropriated from:	
20	Special revenue funds:	
21	Agriculture equine industry development fund.....	3,854,400
22	State general fund/general purpose..... \$	0
23		
24		

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PART 2

2

PROVISIONS CONCERNING APPROPRIATIONS

3 **GENERAL SECTIONS**

4

Sec. 201. Pursuant to section 30 of article IX of the state consti-

5

tution of 1963, total state spending from state resources under part 1

6

for fiscal year 2000-2001 is \$83,608,400.00 and state spending from state

7

resources to be paid to local units of government for fiscal year

8

2000-2001 is \$4,599,900.00. The itemized statement below identifies

9

appropriations from which spending to units of local government will

10 occur:

11 DEPARTMENT OF AGRICULTURE

12

Groundwater and freshwater protection program..... \$ 1,700,000

13

Local conservation districts..... 2,899,900

14

TOTAL..... \$ 4,599,900

15

Sec. 202. The appropriations authorized under this act are subject

16

to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

17

Sec. 203. As used in this act:

18

(a) "DAG" means the United States department of agriculture.

19

(b) "DAG-AMS" means the United States department of agriculture -

20

agriculture marketing service.

21

(c) "DAG-APHIS" means the United States department of agriculture -

22

animal plant health inspection service.

23

(d) "DAG-ERS-ARED" means the United States department of

24

agriculture - economic research service - agriculture and rural economy

25

division.

26

(e) "DAG-FS" means the United States department of agriculture -

27

forest service.

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1 (f) "DAG-NRCS" means the United States department of agriculture -
2 natural resources conservation service.

3 (g) "Department" means the department of agriculture.

4 (h) "Director" means the director of the department.

5 (i) "EPA" means the United States environmental protection agency.

6 (j) "EPA-OECA" means the United States environmental protection
7 agency - office of enforcement and compliance assistance.

8 (k) "EPA-OW" means the United States environmental protection
9 agency - office of water.

10 (l) "EPA-RCRA" means the United States environmental protection
11 agency - resource conservation and recovery act.

12 (m) "FTE" means full-time equated.

13 (n) "GREEN" means generating research and extension to meet
14 environmental and economic needs.

15 (o) "HHS-FDA" means the United States department of health and
16 human services - food and drug administration.

17 (p) "IDG" means interdepartmental grant.

18 (q) "MDCH" means the Michigan department of community health.

19 (r) "MDCIS (LCC)" means the Michigan department of consumer and
20 industry services - liquor control commission.

21 (s) "MDEQ" means the Michigan department of environmental quality.

22 Sec. 204. The department of civil service shall bill departments
23 and agencies at the end of the first fiscal quarter for the 1% charge
24 authorized by section 5 of article XI of the state constitution of 1963.
25 Payments shall be made for the total amount of the billing by the end of
26 the second fiscal quarter.

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1 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on
2 the state classified civil service. State departments and agencies are
3 prohibited from hiring any new full-time state classified civil service
4 employees and prohibited from filling any vacant state classified civil
5 service positions. This hiring freeze does not apply to internal trans-
6 fers of classified employees from 1 position to another within a depart-
7 ment or to positions that are funded with 80% or more federal or
8 restricted funds.

9 (2) The state budget director shall grant exceptions to this hiring
10 freeze when the state budget director believes the hiring freeze will
11 result in rendering a state department or agency unable to deliver basic
12 services. The state budget director shall report by the fifteenth of
13 each month to the chairpersons of the senate and house of representatives
14 standing committees on appropriations the number of exceptions to the
15 hiring freeze approved during the previous month and the justification
16 for the exception.

17 Sec. 206. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$5,000,000.00 for federal
19 contingency funds. These funds are not available for expenditure until
20 they have been transferred to another line item in this act under
21 section 393(2) of the management and budget act, 1984 PA 431,
22 MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is appro-
24 priated an amount not to exceed \$6,000,000.00 for state restricted con-
25 tingency funds. These funds are not available for expenditure until they
26 have been transferred to another line item in this act under

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1 section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 (3) In addition to the funds appropriated in part 1, there is appro-
4 priated an amount not to exceed \$100,000.00 for local contingency funds.
5 These funds are not available for expenditure until they have been trans-
6 ferred to another line item in this act under section 393(2) of the man-
7 agement and budget act, 1984 PA 431, MCL 18.1393.

8 (4) In addition to the funds appropriated in part 1, there is appro-
9 priated an amount not to exceed \$100,000.00 for private contingency
10 funds. These funds are not available for expenditure until they have
11 been transferred to another line item in this act under section 393(2) of
12 the management and budget act, 1984 PA 431, MCL 18.1393.

13 Sec. 207. At least 60 days before beginning any effort to privati-
14 ze, the department shall submit a complete project plan to the appropri-
15 ate senate and house of representatives appropriations subcommittees and
16 the senate and house fiscal agencies. The plan shall include the cri-
17 teria under which the privatization initiative will be evaluated. The
18 evaluation shall be completed and submitted to the appropriate senate and
19 house of representatives appropriations subcommittees and the senate and
20 house fiscal agencies within 30 months.

21 Sec. 208. The department shall continue to pilot the use of the
22 Internet to fulfill the reporting requirements of this act. This may
23 include transmission of reports via electronic mail to the recipients
24 identified for each reporting requirement or it may include placement of
25 reports on the Internet or legislative Intranet site. The senate and
26 house of representatives appropriations subcommittees and senate and
27 house fiscal agencies shall be notified in writing of the Internet or

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1 Intranet site of any such report. Quarterly, the department shall
2 provide a cumulative listing of the reports submitted during the most
3 recent 3-month period along with the Internet or Intranet site of each
4 report, and a list of those reports expected to be transmitted in the
5 following quarter.

6 Sec. 209. Funds appropriated in part 1 shall not be used for the
7 purchase of foreign goods or services, or both, if competitively priced
8 and of comparable quality American goods or services, or both, are
9 available.

10 Sec. 210. The director of each department receiving appropriations
11 in part 1 shall take all reasonable steps to ensure businesses in
12 deprived and depressed communities compete for and perform contracts to
13 provide services or supplies, or both. Each director shall strongly
14 encourage firms with which the department contracts to subcontract with
15 certified businesses in depressed and deprived communities for services,
16 supplies, or both.

17 Sec. 211. (1) The unexpended and unobligated balance of any state
18 restricted fund or account remaining at the end of the fiscal year shall
19 revert back to the state restricted fund or account from which appropri-
20 ated and be available for appropriation for the next fiscal year.
21 Appropriations that revert to a state restricted fund or account pursuant
22 to this section shall not revert to the general fund of this state.

23 (2) A state restricted revenue fund or account that receives reve-
24 nues in excess of expenditures made from that state restricted revenue
25 fund or account shall not have the excess revenue revert to the general
26 fund of this state.

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1 (3) The revenues collected in the agriculture equine industry
2 development fund in fiscal year 1999-2000 shall not lapse but shall be
3 carried forward to fund appropriations made pursuant to this act and sub-
4 sequent acts.

5 Sec. 212. (1) Of the funds appropriated in part 1, the department
6 may provide for indemnity as provided for pursuant to the animal industry
7 act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not to exceed
8 \$10,000.00 per order from any line item for the fiscal year ending
9 September 30, 2001. Before the department provides for an indemnifica-
10 tion under this section, the department shall report the reason for the
11 indemnification, the amount of the indemnification, and to whom the
12 indemnification is to be paid. The report shall be given to each member
13 of the house and senate appropriations subcommittees on agriculture and
14 to the senate and house fiscal agencies.

15 (2) The department of agriculture shall make an indemnification pay-
16 ment for the fair market value of livestock that is killed by a wolf or a
17 coyote, if the kill is verified by the department of natural resources.
18 The fair market value of the livestock shall be determined pursuant to
19 the indemnification procedures prescribed in the animal industry act of
20 1987, 1988 PA 466, MCL 287.701 to 287.747. In addition to the funds
21 appropriated in part 1, the department of agriculture is authorized to
22 expend the funds received from the department of natural resources to
23 reimburse the department of agriculture for all indemnification payments
24 made pursuant to this subsection.

25 Sec. 213. When the department applies to the department of manage-
26 ment and budget with a request for a transfer of appropriations or for a
27 supplemental appropriation, the department shall provide the senate and

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1 house fiscal agencies with the same information that the department
2 provides the department of management and budget relative to the request
3 for transfer or supplemental.

4 Sec. 214. Of the funds appropriated in part 1 that are other than
5 line-item grants, the department shall not provide grants to local gov-
6 ernment agencies, institutions of higher education, or nonprofit organi-
7 zations unless the department provides notice of the grant to the house
8 and senate appropriations subcommittees on agriculture at least 10 days
9 before the grant is issued. The grants shall be used to support research
10 or other related activities for the purpose of enhancing the agricultural
11 industries in this state.

12 Sec. 215. The legislature will not fund nonfair or nonhorse racing
13 grants or projects from revenues from simulcasting in fiscal year
14 2001-2002.

15 Sec. 216. By December 1, 2000, the department shall provide the
16 house and senate appropriations subcommittees on agriculture and the
17 house and senate fiscal agencies a report that outlines programs funded
18 under this act. The report shall provide explanation of the activities
19 and personnel funded with each line item, consistent with the format of
20 this act.

21 Sec. 217. The departments and state agencies receiving appropria-
22 tions under this act shall receive and retain copies of all reports
23 funded from appropriations in part 1. These departments and state agen-
24 cies shall follow federal and state guidelines for short-term and
25 long-term retention of these reports and records.

26 Sec. 218. The department shall provide a report prepared by the
27 department's internal auditor on the activities of the internal auditor

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1 for the prior fiscal year. This report shall include a listing of each
2 audit or investigation performed by the internal auditor pursuant to
3 sections 486(4) and 487 of the management and budget act, 1984 PA 431,
4 MCL 18.1486 and 18.1487. The report shall identify the proportion of
5 time spent on each of the statutory responsibilities listed in
6 sections 485(4), 486(4), and 487 of the management and budget act, 1984
7 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all
8 other activities performed in the internal audit function. The first
9 report shall be due March 1, 2000, and biennially thereafter beginning on
10 May 1 and shall be submitted to the governor, auditor general, the senate
11 and house appropriations committees, the senate and house fiscal agen-
12 cies, and the director.

13 Sec. 219. The unexpended and unencumbered balance of revenue depos-
14 ited pursuant to section 20 of the horse racing law of 1995, 1995 PA 279,
15 MCL 431.320, for the fiscal year ending September 30, 2001 shall be
16 appropriated to the Michigan agriculture equine industry development fund
17 for distribution as set forth in section 20 of the horse racing law of
18 1995, 1995 PA 279, MCL 431.320.

19 **EXECUTIVE**

20 Sec. 301. The appropriations in section 102 may be used for per
21 diem payments to members of boards, committees, and commissions for a
22 full day's board, committee, or commission work at which a quorum is
23 present; for attending a hearing as authorized by the respective board,
24 committee, or commission; or for performing official business as

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1 authorized by the respective board, committee, or commission. The per
2 diem payments shall be at a rate as follows:

- | | | | |
|---|--|----|---------------|
| 3 | (a) Commission of agriculture..... | \$ | 75.00 per day |
| 4 | (b) Upper Peninsula state fair board..... | \$ | 50.00 per day |
| 5 | (c) Agricultural marketing and bargaining board..... | \$ | 35.00 per day |
| 6 | (d) Michigan state fair council..... | \$ | 50.00 per day |
| 7 | (e) Grape and wine industry council..... | \$ | 50.00 per day |

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

- | | |
|----|---|
| 13 | (a) Management services publications. |
| 14 | (b) Management services audit and licensing functions. |
| 15 | (c) Upper Peninsula state fair livestock sales. |
| 16 | (d) Pesticide and plant pest management propagation and certifica- |
| 17 | tion of virus free foundation stock. |
| 18 | (e) Pesticide and plant pest management bean inspection and grading |
| 19 | services. |
| 20 | (f) Laboratory support testing for testing horses in draft horse |
| 21 | pulling contests at county fairs when local jurisdictions request state |
| 22 | assistance. |
| 23 | (g) Laboratory support analyses to determine foreign substances in |
| 24 | horses engaged in racing or pulling contests at tracks. |
| 25 | (h) Laboratory support analysis of food, livestock, and agricultural |
| 26 | products for disease, foreign products for disease, toxic materials, |
| 27 | foreign substances, and quality standards. |

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1 (i) Laboratory support test samples for other agencies and
2 organizations.

3 (j) Fruit and vegetable inspection at shipping and termination
4 points and processing plants.

5 Sec. 303. Of the funds appropriated in section 102 for statistical
6 reporting service, \$120,000.00 shall be used for ongoing rotational crop
7 surveys of fruit, vegetables, and nursery stock, including Christmas
8 trees and ornamental plants. The survey shall begin with fruit in the
9 first year, vegetables in the second year, and nursery stock in the third
10 year. The rotational cycle of the survey shall continue in the fourth
11 and subsequent years. The survey shall include existing
12 plantings/acreage, new plantings/acreage, production, and number of
13 growers.

14 Sec. 304. (1) The appropriation in section 102 for an environmental
15 technology research grant is allocated to the Michigan biotechnology
16 institute, pending receipt of matching federal funds, for the development
17 and implementation of innovative technologies to be used for environmen-
18 tally safe products, biodegradable chemicals, environmental cleanup, and
19 waste stream minimization projects in Michigan.

20 (2) Not later than February 15, 2001, the grantee under
21 subsection (1) shall submit to the department and the house and senate
22 appropriations subcommittees on agriculture a report for the immediately
23 preceding calendar year regarding projects funded from state and federal
24 sources. The report shall include, but is not limited to, a description
25 of each project, the amount of state and federal funding of each project,
26 and the major accomplishments of each project. The grantee under
27 subsection (1) shall also submit a copy of its most recent single audit

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1 report, as required by chapter 75 of title 31 of the United States Code,
2 31 U.S.C. 7501 to 7507.

3 FOOD AND DAIRY

4 Sec. 401. (1) The department shall monitor restaurant inspection
5 and licensing functions carried out by local health departments to ensure
6 uniform application and enforcement of minimum program requirements. On
7 or before September 30, 2001, the department shall report to the senate
8 and house appropriations subcommittees on agriculture, the senate and
9 house fiscal agencies, and the state budget director on local health
10 department conformance with minimum program requirements.

11 (2) If a local unit of government incurs additional costs resulting
12 from its efforts to control a significant food-borne outbreak, the direc-
13 tor shall seek additional resources to reimburse the local unit of gov-
14 ernment for these additional costs. The director shall involve the local
15 health officer of the jurisdiction affected in all aspects of the control
16 of any food-borne outbreak.

17 Sec. 402. Not later than February 1, 2001, the department shall
18 provide a report to the house and senate appropriations subcommittees on
19 agriculture and the house and senate fiscal agencies describing signifi-
20 cant food-borne outbreaks and emergencies including any enforcement
21 actions taken related to food safety during the 1999-2000 fiscal year.

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1 ANIMAL INDUSTRY

2 Sec. 450. From the funds appropriated in part 1 for the bovine
3 tuberculosis program, the department of agriculture shall reimburse the
4 department of natural resources for those costs associated with monitor-
5 ing and testing wildlife for bovine tuberculosis that are necessary to
6 support the department of agriculture goals and are jointly agreed to by
7 the department of agriculture and the department of natural resources to
8 be in excess of efforts necessary to effectively plan and execute the
9 eradication of bovine tuberculosis from Michigan's wild free-ranging deer
10 herd.

11 PESTICIDE AND PLANT PEST MANAGEMENT

12 Sec. 501. Of the funds appropriated in section 106 to the pesticide
13 and plant pest management division, up to \$100,000.00 may be made avail-
14 able to the Michigan cooperative extension service for the purpose of
15 training of applicators. Reimbursement shall be based on actual expendi-
16 tures and revenue availability.

17 Sec. 502. From the appropriation in section 106 for the disease and
18 pest intervention fund program, the department shall utilize these funds
19 as needed to respond to exotic or regulatory pests or diseases.

20 Sec. 503. The department is authorized to enter into a cooperative
21 agreement with a nonprofit foundation or agency associated with the gypsy
22 moth slow-the-spread program in order to receive funds for managing plant
23 pests.

24 Sec. 504. The appropriation in section 106 for orchard or vineyard
25 removal shall be used by the department to assist growers with the

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1 removal of abandoned orchards or vineyards in order to mitigate plant
2 pest infestation.

3 ENVIRONMENTAL STEWARDSHIP

4 Sec. 601. The funds appropriated in section 107 for the energy con-
5 servation program shall be distributed on a competitive basis that will
6 be based on statewide energy conservation criteria.

7 Sec. 602. (1) The department may expend the amount appropriated in
8 section 107 for migrant labor housing grants for construction of new
9 migrant labor housing. Project grants shall not exceed \$4,000.00 per
10 unit. An applicant is not eligible for more than a \$16,000.00 grant in
11 any fiscal year. Units shall be equivalent in construction to units
12 approved by the DAG-rural development agency for low interest construc-
13 tion loans and shall be not less than 484 square feet in size and be
14 self-contained with a minimum of 1 bedroom, a kitchen, a flush toilet, a
15 lavatory, and bathing facilities.

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

18 Sec. 603. (1) From the amounts appropriated in section 107 for
19 migrant labor housing, no less than \$100,000.00 shall be allocated to a
20 private, nonprofit entity for the purpose of providing matching grants
21 for the improvement or new construction of migrant labor housing. The
22 terms or requirements imposed on a recipient of a grant awarded for
23 migrant labor housing improvement or new construction by a private, non-
24 profit entity shall be no less stringent than those imposed by the
25 department on recipients of similar grants awarded by the department. An

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1 entity receiving funds under this section shall use no greater than 7% of
2 the state allocation for the administration of this program.

3 (2) A private nonprofit entity that receives an allocation to admin-
4 ister a migrant labor housing construction grant program shall give pri-
5 ority to grant applicants who are on the department's waiting list of
6 applicants for migrant labor housing construction grants. The applicants
7 for migrant labor construction grants administered by a nonprofit entity
8 who are on the department's waiting list shall be served in the order in
9 which they reside on the department's waiting list.

10 Sec. 604. The department shall apply for all federal funds for
11 which it is eligible that can be used to support the migrant labor hous-
12 ing program.

13 Sec. 605. The appropriation in section 107 for local conservation
14 districts shall be allocated in the following manner:

15 (a) Of the total appropriation, \$690,000.00 shall be allocated for
16 district forestry and wildlife programs to assist private land
17 management. Grants to districts will be made in accordance with a plan
18 developed by the department of agriculture in cooperation with the forest
19 management division of the department of natural resources.

20 (b) Of the total appropriation, \$130,000.00 shall be allocated for
21 local conservation district training.

22 (c) Of the total appropriation, each local conservation district
23 meeting the minimum grant requirements shall receive a grant of
24 \$20,000.00 to support basic operations, unless the district resides in a
25 county consisting of multiple districts, in which case a \$20,000.00 grant
26 shall be divided equally among the districts in that county. It is the
27 intent of the legislature that the amount of money allocated under this

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1 subdivision shall not be used by local conservation districts to replace
2 any money received from local sources.

3 (d) Of the total appropriation, a sum not less than \$25,000.00 or
4 greater than \$50,000.00 shall be allocated as a grant to a nonprofit
5 organization to promote the value of forage crops for soil and water con-
6 servation and the abatement of air and water pollution.

7 (e) Of the remaining appropriation after distributions under subdi-
8 visions (a) through (d), additional grants, not to exceed \$20,000.00 per
9 local conservation district, may be provided based on a formula approved
10 by the commission of agriculture. Grants under this subdivision shall
11 require at least a 100% cash or in-kind local match. Criteria use to
12 distribute grants under this subdivision shall include, but are not
13 limited to, the natural resources need, the size, and the population of
14 the area served by each local conservation district.

15 Sec. 606. From the funds appropriated in section 107 for environ-
16 mental stewardship, \$150,000.00 shall be provided to Ottawa County to
17 fund a constructed wetlands demonstration project for the treatment of
18 wastewater generated on swine farms.

19 **MARKET DEVELOPMENT**

20 Sec. 701. Within the appropriations in section 109 for market
21 development, \$448,400.00 is for the grape and wine industry council, from
22 which the department may provide grants for the purposes as described in
23 section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL
24 436.1303.

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1 Sec. 702. In any given year when insufficient amounts of Michigan
2 surplus products are offered to the food bank council and accepted for
3 distribution, unused funds may be applied by the food bank council for
4 the direct purchase of foods from Michigan growers, manufacturers, or
5 wholesalers.

6 Sec. 703. (1) The \$100,000.00 appropriated in section 109 for the
7 grown in Michigan program is to provide competitive grants to Michigan
8 nonprofit organizations to raise in-state consumer awareness of Michigan
9 grown commodities.

10 (2) The grants are to be made by the Michigan commission of agricul-
11 ture on a competitive basis considering the following order of priority:

12 (a) Cooperative efforts by recognized, statewide, grower funded
13 organizations.

14 (b) The number of consumers made aware of the benefits of Michigan
15 grown commodities.

16 (c) The number of Michigan grown products encompassed in the
17 proposal.

18 (d) The amount of the match.

19 (3) A grant made under this section shall not be less than \$5,000.00
20 or more than \$25,000.00.

21 (4) Each grant shall be matched equally with grantees' funds.

22 In-kind contributions shall not be considered as matching funds.

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

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1 Sec. 704. Indirect costs may not be charged against the future
2 farmers of America grant in section 109 by any administering agency.

3 Sec. 705. Of the funds appropriated in section 109 for agriculture
4 development, \$200,000.00 shall be used to coordinate state participation
5 in the federal market access program and to leverage federal funds for
6 the purpose of developing new and enhancing existing export markets for
7 Michigan agricultural products.

8 Sec. 706. The amount appropriated in section 109 for Michigan inte-
9 grated food and farming systems shall be allocated to the Michigan inte-
10 grated food and farming systems to foster and sustain food and agricul-
11 ture systems that improve economic, ecological, and social well-being.
12 This allocation is contingent upon at least a 100% cash or in-kind
13 match.

14 FAIRS AND EXPOSITIONS

15 Sec. 801. The department shall submit a report each month for the
16 fiscal year ending September 30, 2001 to the state budget director, the
17 senate and house standing committees on appropriations, and the senate
18 and house fiscal agencies that sets forth the simulcasting revenues gen-
19 erated in the preceding month by each licensed track and the amount
20 received from license fees.

21 Sec. 802. (1) The appropriation of \$276,500.00 in section 110 for
22 standardbred purses and supplements - licensed tracks is intended to pro-
23 vide state purse supplements for 4 races at state licensed pari-mutuel
24 horse racing tracks. The purse supplements are to be used for races
25 comprised only of Michigan-bred horses segregated into a 4-year-old colt

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1 trot division, a 4-year-old filly trot division, a 4-year-old colt pace
2 division, and a 4-year-old filly pace division.

3 (2) The appropriation in section 110 for licensed tracks - light
4 horse racing shall be allocated as follows:

5 Arabian and Appaloosa horse racing..... \$ 19,200

6 Quarter horse racing..... \$ 57,500

7 Sec. 803. Included in the appropriation made in section 110 for the
8 thoroughbred program is \$30,500.00 for the Michigan united thoroughbred
9 breeders and owners association to conduct a thoroughbred yearling show.
10 The Michigan united thoroughbred breeders and owners association shall
11 submit to the department an itemized list of expenses showing that the
12 expenses of the yearling show were paid.

13 Sec. 804. From the funds appropriated in section 110 for thorough-
14 bred owners' awards, the department shall develop a program to provide
15 for thoroughbred owners' awards that will be given to owners of
16 Michigan-bred horses finishing first in nonrestricted races at licensed
17 pari-mutuel tracks in Michigan.

18 Sec. 805. The \$100,000.00 appropriated in section 110 for draft
19 horse shows shall be allocated in equal amounts to the Can-Am draft horse
20 show held at the Michigan state fairgrounds and the Great Lakes draft
21 horse show held at Michigan State University.

22 Sec. 806. The department shall notify the senate and house appro-
23 priations subcommittees on agriculture and the senate and house fiscal
24 agencies of any planned reductions in appropriations, allocations, or
25 expenditures from the agriculture equine industry development fund no
26 less than 10 days before such reductions are implemented.

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1 Sec. 807. A county fair, district fair, 4-H fair, or state fair
2 receiving funds in section 110 to be used for prizes or awards, in whole
3 or in part, as a condition precedent to the receiving of the funds for
4 those purposes, shall publish the rules relative to the prizes, awards,
5 and deadlines for entries eligible for the funds in their official pre-
6 mium books or lists relative to the prizes or awards. An aggrieved
7 exhibitor may make a written complaint to the fair within 10 days after
8 the fair ends. If the fair has not satisfactorily settled the grievance
9 within 45 days after it is submitted to the fair, the aggrieved person
10 may file the complaint with the department and the department shall
11 investigate the complaint and make a finding of fact regarding the com-
12 plaint and take appropriate action regarding the complaint.

13 Sec. 808. Of the amount appropriated in section 110 for purses and
14 supplements - fairs/licensed tracks, a sufficient amount is appropriated
15 to provide for overnight purse supplements pursuant to the horse racing
16 law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

17 Sec. 809. Of the amount appropriated in section 110 for premiums,
18 \$11,400.00 shall be expended as a grant for the Michigan horse show asso-
19 ciation - fall youth show at the Michigan exposition and fairgrounds.

20 Sec. 810. From the appropriations for premiums - county and state
21 fairs in section 110, \$120,000.00 shall be awarded through a competitive
22 grant program to local, regional, or state fairs or expositions to pro-
23 mote youth involvement and adult exhibitions in the animal agriculture
24 industry. Appropriate exhibition classes for youth shall be developed
25 that encourage a production exhibit for which premium awards may be
26 paid. The age for youth exhibitors shall be determined by the standards
27 of the association requesting the grant or, if standards do not exist,

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1 the age for youth exhibitors shall be ages 9 through 21. Implementation
2 of the latest technologies into the evaluation of the animals shall be
3 encouraged in the production exhibit. Adult exhibitions should focus on
4 the performance or end product, or both, with the appropriate technolo-
5 gies used to enhance placings and the awarding of premiums.

6 Sec. 811. (1) Of the amount appropriated in section 110 for
7 Michigan festivals, \$75,000.00 shall be allocated to the Michigan festi-
8 vals and events association for the purpose of promoting commodity
9 related festivals on a statewide basis. The allocation to the Michigan
10 festivals and events association is contingent upon the association pro-
11 viding at least a 100% cash or in-kind match.

12 (2) Of the amount appropriated in section 110 for Michigan festi-
13 vals, \$10,000.00 shall be allocated as a matching grant to support an
14 equine education and demonstration program.

15 Sec. 812. The funds appropriated in section 110 for distribution of
16 outstanding winning tickets are not available for expenditure until they
17 are deposited in the agriculture equine industry development fund pursu-
18 ant to section 2 of 1951 PA 90, MCL 431.252. These funds shall be
19 expended in accordance with section 2 of 1951 PA 90, MCL 431.252, and
20 only after they have been transferred to another line item in this act
21 under section 393(2) of the management and budget act, 1984 PA 431, MCL
22 18.1393.

23 Sec. 813. An individual or other entity that leases land, a build-
24 ing, or other property under the Michigan exposition and fairgrounds act,
25 1978 PA 361, MCL 285.161 to 285.176, is not eligible for a state grant,
26 loan, appropriation, or other state subsidy related to the leased land,
27 building, or other property.

Sec. 814. Of the funds appropriated in section 110, a grant shall
be provided to the Michigan thoroughbred owners and breeders association
to support Michigan thoroughbred promotions and marketing, industry data
management, award management, and administrative management. Funding for
the grant shall be provided from the amounts and line items indicated:

- (a) \$34,500.00 from the thoroughbred program line item.
- (b) \$27,000.00 from the thoroughbred sire stakes line item.
- (c) \$13,500.00 from the thoroughbred owners' awards line item.

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1 OFFICE OF RACING COMMISSIONER

2 Sec. 901. It is the intent of the legislature that the office of
3 racing commissioner work cooperatively with the Great Lakes Downs Race
4 Course in Muskegon to facilitate the operation of the track.

5 Sec. 903. The racing commissioner may pay rewards of not more than
6 \$5,800.00 to a person who provides information that results in the arrest
7 and conviction on a felony or misdemeanor charge for a crime that
8 involves the horse racing industry. A reward paid pursuant to this sec-
9 tion shall be paid out of the office of racing commissioner line item.