

**SUBSTITUTE FOR  
SENATE BILL NO. 357**

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2000; 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 amounts listed in this part are appropriated for the department of agriculture for the fiscal year ending September 30, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

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For Fiscal Year Ending  
September 30, 2000**1 DEPARTMENT OF AGRICULTURE****2 APPROPRIATION SUMMARY:**

3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	598.5	
5	GROSS APPROPRIATION.....	\$	92,298,100
6	Interdepartmental grant revenues:		
7	IDG from MDCIS (LCC)-liquor quality testing fees.....		155,300
8	IDG from MDCIS (LCC)-nonretail liquor license fees...		443,300
9	IDG - MDCH local public health operations.....		7,888,300
10	IDG from MDEQ-sewage sludge.....		70,000
11	IDG from MDEQ-type II well survey.....		15,000
12	Total interdepartmental grants and intradepartmental		
13	transfers.....		8,571,900
14	ADJUSTED GROSS APPROPRIATION.....	\$	83,726,200
15	Federal revenues:		
16	DAG-AMS, cooperative agreement.....		1,154,300
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.....		2,111,200
21	DAG-NRCS.....		250,000
22	EPA-OECA, pesticides enforcement program grants.....		974,000
23	EPA-OW, water pollution control, lake restoration		
24	cooperative agreements.....		236,300
25	EPA-RCRA.....		165,000
26	HHS-FDA.....		208,000

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1	Total federal revenues.....	5,379,900
2	Special revenue funds:	
3	Total local revenues.....	0
4	Private-oil company overcharge settlement.....	741,900
5	Total private revenues.....	741,900
6	Total local and private revenues.....	741,900
7	Agriculture equine industry development fund.....	11,500,000
8	Civil penalties.....	60,000
9	Commodity inspection fees.....	991,500
10	Food handler licensing fees.....	1,339,700
11	Gasoline inspection and testing fund.....	1,969,000
12	Groundwater and freshwater protection fund.....	4,902,000
13	Industry support funds.....	230,000
14	Licensing and inspection fees.....	2,701,700
15	Michigan state fair revenue.....	6,439,700
16	Pseudorabies and swine brucellosis fund.....	87,100
17	Testing fees.....	167,100
18	Upper Peninsula state fair revenue.....	1,014,300
19	Weights and measures regulation fees.....	323,400
20	Total other state restricted revenues.....	31,725,500
21	State general fund/general purpose..... \$	45,878,900
22	<b>Sec. 102. EXECUTIVE</b>	
23	Full-time equated unclassified positions.....6.0	
24	Full-time equated classified positions.....9.0	
25	Commission and boards..... \$	63,300
26	Unclassified positions--6.0 FTE positions.....	477,200

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1	Executive direction--4.0 FTE positions.....	417,700
2	Statistical reporting service--5.0 FTE positions.....	450,400
3	Project GREEN.....	6,000,000
4	Environmental technology research grant.....	<u>2,000,000</u>
5	GROSS APPROPRIATION..... \$	9,408,600
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from MDCIS (LCC)-nonretail liquor license fees...	8,800
9	Special revenue funds:	
10	Michigan state fair revenue.....	75,600
11	Upper Peninsula state fair revenue.....	9,000
12	State general fund/general purpose..... \$	9,315,200
13	<b>Sec. 103. ADMINISTRATIVE SERVICES</b>	
14	Full-time equated classified positions.....58.0	
15	Management services--58.0 FTE positions..... \$	4,435,200
16	Property management charges.....	1,023,300
17	Rent.....	<u>289,700</u>
18	GROSS APPROPRIATION..... \$	5,748,200
19	Appropriated from:	
20	Special revenue funds:	
21	Gasoline inspection and testing fund.....	51,000
22	Industry support funds.....	5,000
23	Licensing and inspection fees.....	62,100
24	State general fund/general purpose..... \$	5,630,100
25	<b>Sec. 104. FOOD AND DAIRY</b>	
26	Full-time equated classified positions.....112.0	

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1	Food safety and quality assurance--112.0 FTE		
2	positions.....	\$	8,984,300
3	Local public health operations.....		<u>7,888,300</u>
4	GROSS APPROPRIATION.....	\$	16,872,600
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG - MDCH local public health operations.....		7,888,300
8	Federal revenues:		
9	DAG-AMS, cooperative agreement.....		22,500
10	HHS-FDA.....		183,600
11	Special revenue funds:		
12	Civil penalties.....		60,000
13	Food handler licensing fees.....		1,339,700
14	Licensing and inspection fees.....		553,200
15	State general fund/general purpose.....	\$	6,825,300
16	<b>Sec. 105. ANIMAL INDUSTRY</b>		
17	Full-time equated classified positions.....26.0		
18	Animal health and welfare--26.0 FTE positions.....	\$	<u>2,159,600</u>
19	GROSS APPROPRIATION.....	\$	2,159,600
20	Appropriated from:		
21	Federal revenues:		
22	HHS-FDA.....		9,000
23	Special revenue funds:		
24	Licensing and inspection fees.....		33,400
25	Pseudorabies and swine brucellosis fund.....		87,100
26	State general fund/general purpose.....	\$	2,030,100

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1	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>		
2	Full-time equated classified positions.....	131.3	
3	Pesticide and plant pest management--	131.3 FTE	
4	positions.....	\$	11,781,000
5	Disease and pesticide intervention fund.....		341,800
6	Michigan State University.....		<u>210,000</u>
7	GROSS APPROPRIATION.....	\$	12,332,800
8	Appropriated from:		
9	Federal revenues:		
10	DAG-AMS, cooperative agreement.....		35,300
11	DAG-APHIS, plant and animal disease and pest control.		34,600
12	DAG-FS, multiple grants.....		2,011,200
13	EPA-OECA, pesticides enforcement program grants.....		974,000
14	HHS-FDA.....		15,400
15	Special revenue funds:		
16	Commodity inspection fees.....		991,500
17	Licensing and inspection fees.....		2,053,000
18	State general fund/general purpose.....	\$	6,217,800
19	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>		
20	Full-time equated classified positions.....	40.0	
21	Environmental stewardship--	30.0 FTE positions.....	\$ 2,662,600
22	Groundwater and freshwater protection program--	10.0	
23	FTE positions.....		5,152,000
24	Energy conservation program.....		138,000
25	Forest stewardship program.....		100,000
26	Local soil conservation districts.....		1,400,000

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1	Migrant labor housing.....	<u>585,000</u>
2	GROSS APPROPRIATION..... \$	10,037,600
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from MDEQ-sewage sludge.....	70,000
6	IDG from MDEQ-type II well survey.....	15,000
7	Federal revenues:	
8	DAG-FS, multiple grants.....	100,000
9	DAG-NRCS.....	250,000
10	EPA-OW, water pollution control, lake restoration	
11	cooperative agreements.....	236,300
12	EPA-RCRA.....	165,000
13	Special revenue funds:	
14	Private-oil company overcharge settlement.....	193,900
15	Groundwater and freshwater protection fund.....	4,902,000
16	State general fund/general purpose..... \$	4,105,400
17	<b>Sec. 108. LABORATORY SUPPORT</b>	
18	Full-time equated classified positions.....127.0	
19	Laboratory analysis program--71.5 FTE positions..... \$	5,498,100
20	Pesticide data program--11.0 FTE positions.....	1,096,500
21	Consumer protection program--44.5 FTE positions.....	<u>3,304,000</u>
22	GROSS APPROPRIATION..... \$	9,898,600
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from MDCIS (LCC)-liquor quality testing fees.....	155,300
26	Federal revenues:	

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1	DAG-AMS, cooperative agreement.....	1,096,500
2	DAG-APHIS, Plant and animal disease and pest control.	20,400
3	Special revenue funds:	
4	Private-oil company overcharge settlement.....	548,000
5	Agriculture equine industry development fund.....	500,000
6	Gasoline inspection and testing fund.....	1,918,000
7	Testing fees.....	167,100
8	Weights and measures regulation fees.....	323,400
9	State general fund/general purpose..... \$	5,169,900
10	<b>Sec. 109. MARKET DEVELOPMENT</b>	
11	Full-time equated classified positions.....20.5	
12	Marketing and emergency management--15.5 FTE	
13	positions..... \$	2,199,200
14	Agriculture development--5.0 FTE positions.....	907,900
15	Food bank.....	725,000
16	4-H Foundation of Michigan.....	285,000
17	Grown in Michigan.....	100,000
18	Michigan festivals.....	50,000
19	Northwest Michigan horticultural research station....	41,800
20	Southwestern Michigan tourist council - taste of	
21	Michigan.....	60,400
22	USApple donation.....	20,000
23	Future farmers of America.....	<u>40,000</u>
24	GROSS APPROPRIATION..... \$	4,429,300
25	Appropriated from:	
26	Interdepartmental grant revenues:	

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1	IDG from MDCIS (LCC)-nonretail liquor license fees...	434,500
2	Federal revenues:	
3	DAG-ERS-ARED.....	126,100
4	DAG-federal/state marketing improvement program.....	100,000
5	Special revenue funds:	
6	Industry support funds.....	225,000
7	State general fund/general purpose..... \$	3,543,700
8	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>	
9	Full-time equated classified positions.....35.0	
10	Michigan state fair operations--22.0 FTE positions... \$	6,276,600
11	Fairs and racing--5.0 FTE positions.....	507,200
12	Upper Peninsula state fair--8.0 FTE positions.....	1,181,000
13	Building and track improvement-county and state fairs	753,100
14	Draft horse shows.....	100,000
15	Premiums-county and state fairs.....	1,611,200
16	Purses and supplements-fairs/licensed tracks.....	2,351,200
17	Standardbred Fedele Fauri futurity.....	78,000
18	Standardbred Michigan futurity.....	78,000
19	Quarterhorse programs.....	38,400
20	Licensed tracks-light horse racing.....	74,400
21	Standardbred breeders' awards.....	1,201,300
22	Standardbred purses and supplements-licensed tracks..	258,800
23	Sire stakes program.....	1,954,500
24	Standardbred training and stabling.....	42,400
25	Thoroughbred program.....	1,753,600
26	Thoroughbred owners' awards.....	<u>151,100</u>

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1	GROSS APPROPRIATION.....	\$	18,410,800
2	Appropriated from:		
3	Special revenue funds:		
4	Agriculture equine industry development fund.....		8,834,800
5	Michigan state fair revenue.....		6,364,100
6	Upper Peninsula state fair revenue.....		1,005,300
7	State general fund/general purpose.....	\$	2,206,600
8	<b>Sec. 111. OFFICE OF RACING COMMISSIONER</b>		
9	Full-time equated classified positions.....39.7		
10	Office of racing commissioner--39.7 FTE positions....	\$	<u>3,000,000</u>
11	GROSS APPROPRIATION.....	\$	3,000,000
12	Appropriated from:		
13	Special revenue funds:		
14	Agriculture equine industry development fund.....		2,165,200
15	State general fund/general purpose.....	\$	834,800

16

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18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 **GENERAL SECTIONS**

21 Sec. 201. (1) Pursuant to section 30 of article IX of the state  
22 constitution of 1963, total state spending from state sources for fiscal  
23 year 1999-2000 is estimated at \$77,604,400.00 in this act and state  
24 spending from state sources paid to local units of government for fiscal  
25 year 1999-2000 is estimated at \$1,400,000.00. The itemized statement  
26 below identifies appropriations from which spending to units of local  
27 government will occur:

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1 DEPARTMENT OF AGRICULTURE

2       Local soil conservation districts..... \$       1,400,000

3       TOTAL..... \$       1,400,000

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

10       Sec. 202. The appropriations made and the expenditures authorized  
11 under this act and the departments, agencies, commissions, boards,  
12 offices, and programs for which an appropriation is made under this act  
13 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to  
14 18.1594.

15       Sec. 203. (1) In addition to the funds appropriated in part 1,  
16 there is appropriated an amount not to exceed \$5,000,000.00 for federal  
17 contingency funds. These funds are not available for expenditure until  
18 they have been transferred to another line item in this act pursuant to  
19 section 393(2) of the management and budget act, 1984 PA 431, MCL  
20 18.1393.

21       (2) In addition to the funds appropriated in part 1, there is appro-  
22 priated an amount not to exceed \$6,000,000.00 for state restricted con-  
23 tingency funds. These funds are not available for expenditure until they  
24 have been transferred to another line item in this act pursuant to sec-  
25 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

26       (3) In addition to the funds appropriated in part 1, there is  
27 appropriated an amount not to exceed \$100,000.00 for local contingency

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1 funds. These funds are not available for expenditure until they have  
2 been transferred to another line item in this act pursuant to section  
3 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

25 Sec. 205. The department of civil service shall bill departments  
26 and/or agencies at the end of the first fiscal quarter for the 1% charges  
27 authorized by section 5 of article XI of the state constitution of 1963.

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1 Payments shall be made for the total amount of the billing by the end of  
2 the second fiscal quarter.

3 Sec. 208. As used in this act:

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

5 (b) "DAG-AMS" means the United States department of agriculture -  
6 agriculture marketing service.

7 (c) "DAG-APHIS" means the United States department of agriculture -  
8 animal plant health inspection service.

9 (d) "DAG-ERS-ARED" means the United States department of  
10 agriculture - economic research service - agriculture and rural economy  
11 division.

12 (e) "DAG-FS" means the United States department of agriculture -  
13 forest service.

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

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

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

18 (i) "EPA-OECA" means the United States environmental protection  
19 agency - office of enforcement and compliance assistance.

20 (j) "EPA-OW" means the United States environmental protection  
21 agency - office of water.

22 (k) "EPA-RCRA" means the United States environmental protection  
23 agency - resource conservation and recovery act.

24 (l) "FTE" means full-time equated.

25 (m) "GREEN" means generating research and extension to meet  
26 environmental and economic needs.

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1 (n) "HHS-FDA" means the United States department of health and  
2 human services - food and drug administration.

3 (o) "IDG" means interdepartmental grant.

4 (p) "MDCH" means the Michigan department of community health.

5 (q) "MDCIS (LCC)" means the Michigan department of consumer and  
6 industry services - liquor control commission.

7 (r) "MDEQ" means the Michigan department of environmental quality.

8 Sec. 209. (1) The unexpended and unobligated balance of any state  
9 restricted fund or account remaining at the end of the fiscal year shall  
10 revert back to the state restricted fund or account from which appropri-  
11 ated and be available for appropriation for the next fiscal year.

12 Appropriations that revert to a state restricted fund or account pursuant  
13 to this section shall not revert to the general fund of this state.

14 (2) A state restricted revenue fund or account that receives reve-  
15 nues in excess of expenditures made from that state restricted revenue  
16 fund or account shall not have the excess revenue revert to the general  
17 fund of this state.

18 (3) The revenues collected in the agriculture equine industry devel-  
19 opment fund in fiscal year 1998-99 shall not lapse but shall be carried  
20 forward to fund appropriations made pursuant to this act and subsequent  
21 acts.

22 Sec. 210. (1) Of the funds appropriated in part 1, the department  
23 may provide for indemnity as provided for pursuant to the animal industry  
24 act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not to exceed  
25 \$10,000.00 per order from any line item for the fiscal year ending  
26 September 30, 2000. Before the department provides for an  
27 indemnification under this section, the department shall report the

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1 reason for the indemnification, the amount of the indemnification, and to  
2 whom the indemnification is to be paid. The report shall be given to  
3 each member of the house and senate appropriations subcommittees on agri-  
4 culture and to the senate and house fiscal agencies.

5 (2) The department may make indemnification for the fair market  
6 value of livestock that is killed by a wolf. The kill shall be verified  
7 by the department of natural resources. The fair market value of the  
8 livestock shall be made pursuant to indemnification procedures prescribed  
9 in the animal industry act of 1987, 1988 PA 466, MCL 287.701 to 287.747.  
10 The indemnification shall be paid pursuant to subsection (1).

11 Sec. 211. When the department applies to the department of manage-  
12 ment and budget with a request for a transfer of appropriations or for a  
13 supplemental appropriation, the department shall provide the senate and  
14 house fiscal agencies with the same information that the department pro-  
15 vides the department of management and budget relative to the request for  
16 transfer or supplemental.

17 Sec. 212. Money appropriated in part 1 shall not be used for the  
18 purchase of foreign goods or services when competitively priced and of  
19 comparable quality American goods or services are available.

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

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

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1       Sec. 215. Of the funds appropriated in part 1 that are other than  
2 line-item grants, the department shall not provide grants to local  
3 government agencies, institutions of higher education, or nonprofit  
4 organizations unless the department provides notice of the grant to the  
5 house and senate appropriations subcommittees on agriculture at least 10  
6 days before the grant is issued. The grants shall be used to support  
7 research or other related activities for the purpose of enhancing the  
8 agricultural industries in this state.

9       Sec. 216. The legislature will not fund nonfair or nonhorse racing  
10 grants or projects from revenues from simulcasting in fiscal year  
11 2000-2001.

12       Sec. 217. (1) The department of management and budget and each  
13 principal executive department and agency shall provide to the senate and  
14 house of representatives standing committees on appropriations and the  
15 senate and house fiscal agencies a monthly report on all personal service  
16 contracts awarded without competitive bidding, pricing, or rate setting.  
17 The notification shall include all of the following:

18       (a) The total dollar amount of the contract.

19       (b) The duration of the contract.

20       (c) The name of the vendor.

21       (d) The type of service to be provided.

22       (2) For personal service contracts of \$100,000.00 or more, the  
23 department of management and budget shall provide a monthly report on all  
24 of the following:

25       (a) The total dollar amount of the contract.

26       (b) The duration of the contract.

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1 (c) The name of the vendor.

2 (d) The type of service to be provided.

3 (3) The department of management and budget shall provide a monthly  
4 listing of all bid requests or requests for proposal that were issued.

5 (4) Each principal executive department and agency shall provide a  
6 monthly summary listing of information that identifies any authorizations  
7 for personal service contracts that are provided to the department of  
8 civil service pursuant to delegated authority granted to each principal  
9 executive department and agency related to personal service contracts.

10 Sec. 219. Sixty days before beginning any effort to privatize, the  
11 department shall submit a complete project plan to the appropriate house  
12 and senate appropriations subcommittees and the house and senate fiscal  
13 agencies. The plan shall include the criteria under which the privatiza-  
14 tion initiative will be evaluated. The evaluation shall be completed and  
15 submitted to the appropriate house and senate appropriations subcommit-  
16 tees and the house and senate fiscal agencies within 30 months.

17 Sec. 220. Within 10 working days after formal presentation of the  
18 executive budget, the state budget director shall report to the members  
19 of the senate and house appropriations committees, and the senate and  
20 house fiscal agencies, on the amounts and sources of all capped federal  
21 funds, special revenue funds as defined in the state of Michigan's com-  
22 prehensive annual financial report, and the healthy Michigan fund, and an  
23 accounting of the state departments or agencies in which the executive  
24 budget proposes to spend the funds.

25 Sec. 221. By December 1, 1999, the department shall provide the  
26 house and senate appropriations subcommittees on agriculture and the  
27 house and senate fiscal agencies a report that outlines programs funded

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1 under this act. The report shall provide explanation of the activities  
2 and personnel funded with each line item, consistent with the format of  
3 this act.

4 Sec. 222. The department shall receive and retain copies of all  
5 reports funded from part 1 appropriations.

6 Sec. 223. All reports required in this act shall be made available  
7 to the public primarily through Internet access, unless a printed version  
8 is requested. The department shall provide electronic notification to  
9 all legislative offices for specific reports requested by the  
10 legislature.

Sec. 224. The department shall provide a report prepared by the department's internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities described in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The first report is due March 1, 2000, and beginning on May 1, 2002, biennially thereafter. The reports shall be submitted to the governor, auditor general, the senate and house appropriations committees, the senate and house fiscal agencies, and the director.

Sec. 225. By March 1, 2000, the department shall submit a report to the senate and house appropriations subcommittees on agriculture, the senate and house standing committees on agriculture, and the senate and house fiscal agencies on the Michigan right to farm act, 1981 PA 93, MCL 286.471 to 286.474. The report shall include the following information:

(a) The total number of complaints, by county, filed under the Michigan right to farm act, 1981 PA 93, MCL 286.471 to 286.474, since September 30, 1995.

(b) The actions undertaken by the department to address each complaint.

(c) The number of complaints resulting in reimbursement of costs to the department by the complainant pursuant to section 3a(4) of the Michigan right to farm act, 1981 PA 93, MCL 286.473a.

(d) The number of complaints resulting in reimbursement of costs to a farm operation by the complainant pursuant to section 3b of the Michigan right to farm act, 1981 PA 93, MCL 286.473b.

(e) The number of complaints upheld by the department.

**11 EXECUTIVE**

12 Sec. 301. The appropriations in section 102 may be used for per  
13 diem payments to members of boards, committees, and commissions for a  
14 full day's board, committee, or commission work at which a quorum is  
15 present; for attending a hearing as authorized by the respective board,  
16 committee, or commission; or for performing official business as autho-  
17 rized by the respective board, committee, or commission. The per diem  
18 payments shall be at a rate as follows:

19	(a) Commission of agriculture.....	\$ 75.00 per day
20	(b) Upper Peninsula state fair board.....	\$ 50.00 per day
21	(c) Agricultural marketing and bargaining board.....	\$ 35.00 per day
22	(d) Michigan state fair council.....	\$ 50.00 per day

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23 (e) Grape and wine industry council..... \$ 50.00 per day  
24 Sec. 302. The department may receive and expend revenue and use  
25 that revenue to cover necessary expenses related to publications, audit

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1 and licensing functions, livestock sales, certification of nursery stock,  
2 bean inspection services, and laboratory analyses as specified in the  
3 following:

4 (a) Management services publications.

5 (b) Management services audit and licensing functions.

6 (c) Upper Peninsula state fair livestock sales.

7 (d) Pesticide and plant pest management propagation and certifica-  
8 tion of virus free foundation stock.

9 (e) Pesticide and plant pest management bean inspection and grading  
10 services.

11 (f) Laboratory support testing for testing horses in draft horse  
12 pulling contests at county fairs when local jurisdictions request state  
13 assistance.

14 (g) Laboratory support analyses to determine foreign substances in  
15 horses engaged in racing or pulling contests at tracks.

16 (h) Laboratory support analysis of food, livestock, and agricultural  
17 products for disease, foreign products for disease, toxic materials, for-  
18 eign substances, and quality standards.

19 (i) Laboratory support test samples for other agencies and  
20 organizations.

21 (j) Fruit and vegetable inspection at shipping and termination  
22 points and processing plants.

23 Sec. 303. Of the funds appropriated in section 102 for statistical  
24 reporting service, \$120,000.00 shall be used for ongoing rotational crop  
25 surveys of fruit, vegetables, and nursery stock, including Christmas  
26 trees and ornamental plants. The survey shall begin with fruit in the  
27 first year, vegetables in the second year, and nursery stock in the third

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1 year. The rotational cycle of the survey shall continue in the fourth  
2 and subsequent years. The survey shall include existing  
3 plantings/acreage, new plantings/acreage, production, and number of  
4 growers.

5       Sec. 304. The appropriation in section 102 for an environmental  
6 technology research grant is allocated to the Michigan biotechnology  
7 institute, pending receipt of matching federal funds, for the development  
8 and implementation of innovative technologies to be used for environmen-  
9 tally safe products, biodegradable chemicals, environmental cleanup, and  
10 waste stream minimization projects in Michigan.

11       Sec. 305. (1) From the appropriation in section 102 for project  
12 GREEN, \$6,000,000.00 is allocated for a grant to an institution of  
13 higher education for the purpose of research and/or extension programs  
14 designed to address critical regulatory, food safety, economic, and envi-  
15 ronmental problems faced by Michigan's plant-based agriculture, forestry,  
16 and processing industries.

17       (2) A consortium of interested parties consisting of, but not  
18 limited to, representatives from the department, institutions of higher  
19 education, and agricultural commodity groups shall develop the research  
20 and/or extension program priorities described in subsection (1).

21       (3) Any unexpended balance of the appropriation for project GREEN  
22 in part 1 is considered a work project appropriation. Project GREEN  
23 projects will be accomplished by the use of contractual services with an  
24 estimated completion date of September 30, 2003.

25       (4) Not later than November 1, 2000, the grantee under  
26 subsection (1) shall submit to the house and senate appropriations  
27 subcommittees on agriculture and to the house and senate fiscal agencies

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1 a report for the immediately preceding fiscal year regarding project  
2 GREEN projects. The report shall include, but is not limited to, the  
3 dollar amount of each project and a review of each project's performance  
4 and accomplishments.

5 (5) Indirect costs shall not be charged by an administering agency  
6 against a grant funded under the allocation in subsection (1).

### **FOOD AND DAIRY**

Sec. 401. By September 30, 2000, the department shall develop a plan for conducting all restaurant inspection and licensing functions using department employees. The department shall submit the plan, by September 30, 2000 to the senate and house appropriations subcommittees on agriculture, the senate and house standing committees on agriculture, and the senate and house fiscal agencies.

### **PESTICIDE AND PLANT PEST MANAGEMENT**

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

13 Sec. 502. From the appropriation in section 106 for the disease and  
14 pesticide intervention fund program, the department shall utilize these  
15 funds as needed to respond to plant pest diseases.

### **ENVIRONMENTAL STEWARDSHIP**

17 Sec. 601. The funds appropriated in section 107 for the energy con-  
18 servation program shall be distributed on an equal basis to all local  
19 soil conservation districts for local energy conservation programs.

20 Sec. 602. The amount appropriated in section 107 for grants to  
21 local soil conservation districts shall be used for providing financial  
22 assistance to all soil conservation districts in order to permit the  
23 districts to engage in programs that conserve soil resources and prevent

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1 and control soil erosion. All grants to local soil conservation  
2 districts shall be allocated according to a formula approved by the com-  
3 mission of agriculture. Any soil conservation district that allows pay-  
4 ment for expenses to the district associate directors shall be considered  
5 ineligible to receive grant money.

6       Sec. 603. (1) The department may expend the amount appropriated in  
7 section 107 for migrant labor housing grants for construction of new  
8 migrant labor housing. Project grants shall not exceed \$2,000.00 per  
9 unit. An applicant is not eligible for more than a \$10,000.00 grant in  
10 any fiscal year. Units shall be equivalent in construction to units  
11 approved by the DAG-rural development agency for low interest construc-  
12 tion loans and shall be not less than 484 square feet in size and be  
13 self-contained with a minimum of 1 bedroom, a kitchen, a flush toilet, a  
14 lavatory, and bathing facilities.

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

17       Sec. 604. (1) From the amounts appropriated in section 107 for  
18 migrant labor housing, no less than \$100,000.00 shall be allocated to a  
19 private, nonprofit entity for the purpose of providing matching grants  
20 for the improvement or new construction of migrant labor housing. The  
21 terms or requirements imposed on a recipient of a grant awarded for  
22 migrant labor housing improvement or new construction by a private, non-  
23 profit entity shall be no less stringent than those imposed by the  
24 department on recipients of similar grants awarded by the department. An  
25 entity receiving funds under this section shall use no greater than 7% of  
26 the state allocation for the administration of this program.

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

8       Sec. 605. From the section 107 appropriation for local soil conser-  
9 vation districts, \$300,000.00 shall be allocated for district forestry  
10 programs to assist private forest land development. Allocations to dis-  
11 tricts will be made in accordance with a plan developed by the department  
12 of agriculture in cooperation with the forest management division of the  
13 department of natural resources.

14       Sec. 606. The department shall apply for all federal funds for  
15 which it is eligible that can be used to support the migrant labor hous-  
16 ing program.

17 **MARKET DEVELOPMENT**

18       Sec. 701. Within the appropriations in section 109 for market  
19 development, \$434,000.00 is for the grape and wine industry council, from  
20 which the department may provide grants for the purposes as described in  
21 section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL  
22 436.1303.

23       Sec. 702. In any given year when insufficient amounts of Michigan  
24 surplus products are offered to the food bank council and accepted for  
25 distribution, unused funds may be applied by the food bank council for

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1 the direct purchase of foods from Michigan growers, manufacturers, or  
2 wholesalers.

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

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

9       (a) Cooperative efforts by recognized, statewide, grower funded  
10 organizations.

11       (b) The number of consumers made aware of the benefits of Michigan  
12 grown commodities.

13       (c) The number of Michigan grown products encompassed in the  
14 proposal.

15       (d) The amount of the match.

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

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

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

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

26       Sec. 705. The amount appropriated in section 109 for Michigan  
27 festivals shall be allocated to the Michigan festivals and events

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1 association for the purpose of promoting commodity related festivals on a  
2 statewide basis. The allocation to the Michigan festivals and events  
3 association is contingent upon the association providing at least a 100%  
4 cash or in-kind match.

**5 FAIRS AND EXPOSITIONS**

6 Sec. 801. The racing commissioner may pay rewards of not more than  
7 \$5,800.00 to a person who provides information that results in the arrest  
8 and conviction on a felony or misdemeanor charge for a crime that  
9 involves the horse racing industry. A reward paid pursuant to this sec-  
10 tion shall be paid out of the office of racing commissioner line item.

11 Sec. 802. The department shall submit a report each month for the  
12 fiscal year ending September 30, 2000 to the state budget director, the  
13 senate and house standing committees on appropriations, and the senate  
14 and house fiscal agencies that sets forth the simulcasting revenues gen-  
15 erated in the preceding month by each licensed track and the amount  
16 received from license fees.

17 Sec. 803. (1) The appropriation of \$258,800.00 in section 110 for  
18 standardbred purses and supplements - licensed tracks is intended to pro-  
19 vide state purse supplements for 4 races at state licensed pari-mutuel  
20 horse racing tracks. The purse supplements are to be used for races com-  
21 prised only of Michigan-bred horses segregated into a 4-year-old colt  
22 trot division, a 4-year-old filly trot division, a 4-year-old colt pace  
23 division, and a 4-year-old filly pace division.

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

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1	Arabian and Appaloosa horse racing.....	\$	18,600
2	Quarter horse racing.....	\$	55,800

3       Sec. 804. Included in the appropriation made in section 110 for the  
4 thoroughbred program is \$30,500.00 for the Michigan united thoroughbred  
5 breeders and owners association to conduct a thoroughbred yearling show.  
6 The Michigan united thoroughbred breeders and owners association shall  
7 submit to the department an itemized list of expenses showing that the  
8 expenses of the yearling show were paid.

9       Sec. 805. From the funds appropriated in section 110 for thorough-  
10 bred owners' awards, the department shall develop a program to provide  
11 for thoroughbred owners' awards that will be given to owners of  
12 Michigan-bred horses finishing first in nonrestricted races at licensed  
13 pari-mutuel tracks in Michigan.

14       Sec. 806. The \$100,000.00 appropriated in section 110 for draft  
15 horse shows shall be allocated in equal amounts to the Can-Am draft horse  
16 show held at the Michigan state fairgrounds and the Great Lakes draft  
17 horse show held at Michigan State University.

18       Sec. 807. The department shall notify the senate and house appro-  
19 priations subcommittees on agriculture and the senate and house fiscal  
20 agencies of any planned reductions in appropriations, allocations, or  
21 expenditures from the agriculture equine industry development fund no  
22 less than 10 days before such reductions are implemented.

23       Sec. 808. A county fair, district fair, 4-H fair, or state fair  
24 receiving funds in section 110 to be used for prizes or awards, in whole  
25 or in part, as a condition precedent to the receiving of the funds for  
26 those purposes, shall publish the rules relative to the prizes, awards,  
27 and deadlines for entries eligible for the funds in their official

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1 premium books or lists relative to the prizes or awards. An aggrieved  
2 exhibitor may make a written complaint to the fair within 10 days after  
3 the fair ends. If the fair has not satisfactorily settled the grievance  
4 within 45 days after it is submitted to the fair, the aggrieved person  
5 may file the complaint with the department and the department shall  
6 investigate the complaint and make a finding of fact regarding the com-  
7 plaint and take appropriate action regarding the complaint.

8       Sec. 809. Of the amount appropriated in section 110 for purses and  
9 supplements - fairs/licensed tracks, a sufficient amount is appropriated  
10 to provide for overnight purse supplements pursuant to the horse racing  
11 law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

12       Sec. 810. Of the amount appropriated in section 110 for premiums,  
13 \$11,400.00 shall be expended as a grant for the Michigan horse show asso-  
14 ciation - fall youth show at the Michigan exposition and fairgrounds.

15       Sec. 811. From the appropriations for premiums - county and state  
16 fairs in section 110, \$120,000.00 shall be awarded through a competitive  
17 grant program to local, regional, or state fairs or expositions to pro-  
18 mote youth involvement and adult exhibitions in the animal agriculture  
19 industry. Appropriate exhibition classes for youth shall be developed  
20 that encourage a production exhibit for which premium awards may be  
21 paid. The age for youth exhibitors shall be determined by the standards  
22 of the association requesting the grant or, if standards do not exist,  
23 the age for youth exhibitors shall be ages 9 through 21. Implementation  
24 of the latest technologies into the evaluation of the animals shall be  
25 encouraged in the production exhibit. Adult exhibitions should focus on  
26 the performance or end product, or both, with the appropriate  
27 technologies used to enhance placings and the awarding of premiums.

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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. 902. The office of racing commissioner, in cooperation with  
6 representatives of the horse racing industry, shall develop a long range  
7 plan for assuring the viability of the horse racing industry in this  
8 state. The plan shall include, but is not limited to, recommended stat-  
9 ute changes that would be required to implement the plan. The office of  
10 racing commissioner shall submit the plan to the senate and house appro-  
11 priations subcommittees on agriculture and the senate and house fiscal  
12 agencies by September 30, 2000.