



# HOUSE BILL No. 5273

February 3, 2000, Introduced by Reps. Pumford, Jelinek, Pappageorge, Mortimer, Byl, Mead, Geiger, Kukuk, Jellema, Caul, LaSata, Scranton, Cameron Brown, Stamas, Godchaux and Jansen and referred to the Committee on Appropriations.

## EXECUTIVE BUDGET BILL

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:

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the

1 amounts listed in this part are appropriated for the department of  
2 agriculture for the fiscal year ending September 30, 2001, from the  
3 funds indicated in this part. The following is a summary of the  
4 appropriations in this part:

5 **DEPARTMENT OF AGRICULTURE**

6 APPROPRIATION SUMMARY:

7 Full-time equated unclassified positions . . . 6.0

8 Full-time equated classified positions . . . 643.5

9 GROSS APPROPRIATION . . . . . \$ 100,671,600

10 Interdepartmental grant revenues:

11 Total interdepartmental grants and

12 intradepartmental transfers . . . . . 9,680,800

13 ADJUSTED GROSS APPROPRIATION . . . . . \$ 90,990,800

14 Federal revenues:

15 Total federal revenues . . . . . 6,037,000

16 Special revenue funds:

17 Total local revenues . . . . . 0

18 Total private revenues . . . . . 1,121,900

19 Total other state restricted revenues . . . . . 33,362,100

20 State general fund/general purpose . . . . . \$ 50,469,800

21 **Sec. 102. EXECUTIVE**

22 Full-time equated unclassified positions . . . 6.0

23 Full-time equated classified positions . . . 67.0

24 Commission and boards . . . . . \$ 63,300

25 Unclassified positions . . . . . 477,200

26 Executive direction--4.0 FTE positions . . . . . 440,500

27 Management services--58.0 FTE positions . . . . . 5,260,900

28 Statistical reporting service--5.0 FTE positions . . . . . 461,300

29 Project GREEN . . . . . 6,100,000

1	GROSS APPROPRIATION . . . . .	\$	12,803,200
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG-MDCIS (LCC) nonretail liquor revenue . . . . .		8,800
5	Special revenue funds:		
6	Michigan state fair revenue . . . . .		77,600
7	Upper Peninsula state fair revenue . . . . .		9,000
8	Gasoline inspection and testing fund . . . . .		47,800
9	Industry support funds . . . . .		5,000
10	Licensing and inspection fees . . . . .		62,100
11	State general fund/general purpose . . . . .	\$	12,592,900
12	<b>Sec. 103. DEPARTMENTWIDE</b>		
13	Rent and building occupancy charges . . . . .	\$	<u>1,132,700</u>
14	GROSS APPROPRIATION . . . . .	\$	1,132,700
15	Appropriated from:		
16	Special revenue funds:		
17	Gasoline inspection and testing fund . . . . .		3,200
18	State general fund/general purpose . . . . .	\$	1,129,500
19	<b>Sec. 104. FOOD AND DAIRY</b>		
20	Full-time equated classified positions . . . . .	112.0	
21	Food safety and quality assurance--112.0 FTE		
22	positions . . . . .	\$	9,360,800
23	Local public health operations . . . . .		<u>8,977,500</u>
24	GROSS APPROPRIATION . . . . .	\$	18,338,300
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from MDCH, local public health operations .		8,977,500
28	Federal revenues:		
29	DAG-AMS, cooperative agreement . . . . .		22,500

1	HHS-FDA . . . . .	183,600
2	Special revenue funds:	
3	Civil penalties . . . . .	60,000
4	Food handler licensing fees . . . . .	1,105,400
5	Licensing and inspection fees . . . . .	576,400
6	State general fund/general purpose . . . . . \$	7,412,900
7	<b>Sec. 105. ANIMAL INDUSTRY</b>	
8	Full-time equated classified positions . . . 55.0	
9	Animal health and welfare--26.0 FTE positions . \$	2,253,200
10	Bovine tuberculosis program--29.0 FTE	
11	positions . . . . .	<u>3,488,900</u>
12	GROSS APPROPRIATION . . . . . \$	5,742,100
13	Appropriated from:	
14	Federal revenues:	
15	HHS-FDA . . . . .	9,000
16	Special revenue funds:	
17	Licensing and inspection fees . . . . .	34,500
18	Pseudorabies and swine brucellosis fund . . . . .	87,100
19	State general fund/general purpose . . . . . \$	5,611,500
20	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>	
21	Full-time equated classified positions . . . 133.3	
22	Pesticide and plant pest management--133.3 FTE	
23	positions . . . . . \$	12,853,900
24	Disease and pest intervention fund . . . . .	341,800
25	Michigan state university . . . . .	<u>210,000</u>
26	GROSS APPROPRIATION . . . . . \$	13,405,700
27	Appropriated from:	
28	Federal revenues:	
29	DAG-AMS, cooperative agreement . . . . .	36,400

1	DAG-APHIS, plant and animal disease and pest	
2	control . . . . .	34,600
3	DAG-FS, multiple grants . . . . .	1,881,200
4	EPA-OECA, pesticides enforcement program	
5	grants . . . . .	1,510,000
6	HHS-FDA . . . . .	15,400
7	Special revenue funds:	
8	Private-slow-the-spread foundation . . . . .	130,000
9	Commodity inspection fees . . . . .	991,500
10	Licensing and inspection fees . . . . .	2,053,000
11	State general fund/general purpose . . . . . \$	6,753,600
12	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>	
13	Full-time equated classified positions . . . 48.0	
14	Environmental stewardship--38.0 FTE positions . \$	3,413,500
15	Groundwater and freshwater protection program	
16	--10.0 FTE positions . . . . .	5,077,800
17	Energy conservation program . . . . .	138,000
18	Forest stewardship program . . . . .	100,000
19	Local conservation districts . . . . .	1,400,000
20	Migrant labor housing . . . . .	<u>550,000</u>
21	GROSS APPROPRIATION . . . . . \$	10,679,300
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG-MDEQ sewage sludge fund . . . . .	70,000
25	IDG-MDEQ type II well survey . . . . .	15,000
26	Federal revenues:	
27	DAG-FS, multiple grants . . . . .	100,000
28	DAG-NRCS . . . . .	250,000
29	EPA-OW . . . . .	236,300

1	EPA-RCRA . . . . .	165,000
2	EPA, multiple grants . . . . .	250,000
3	Special revenue funds:	
4	Private - oil company overcharge settlement . .	193,900
5	Groundwater and freshwater protection fund . . .	4,577,800
6	Industry support funds . . . . .	40,000
7	State general fund/general purpose . . . . . \$	4,781,300
8	<b>Sec. 108. LABORATORY PROGRAM</b>	
9	Full-time equated classified positions . . . 132.0	
10	Laboratory analysis program--73.5 FTE positions \$	5,831,700
11	Pesticide data program--14.0 FTE positions . . .	1,096,500
12	Consumer protection program--44.5 FTE positions	<u>3,240,800</u>
13	GROSS APPROPRIATION . . . . . \$	10,169,000
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG-MDCIS (LCC)liquor quality testing fees . . .	161,100
17	Federal revenues:	
18	DAG-AMS, cooperative agreement . . . . .	1,096,500
19	DAG-APHIS, plant and animal disease and pest	
20	control . . . . .	20,400
21	Special revenue funds:	
22	Private - oil company overcharge settlement . .	798,000
23	Agriculture equine industry development fund . .	500,000
24	Gasoline inspection and testing fund . . . . .	1,472,100
25	Testing fees . . . . .	167,100
26	Weights and measures regulation fees . . . . .	323,400
27	State general fund/general purpose . . . . . \$	5,630,400
28	<b>Sec. 109. MARKET DEVELOPMENT</b>	
29	Full-time equated classified positions . . . 21.5	

1	Marketing and emergency management--15.5 FTE		
2	positions . . . . .	\$	2,244,000
3	Agriculture development-6.0 FTE positions . . .		1,045,100
4	Food bank . . . . .		774,200
5	Grown in Michigan . . . . .		100,000
6	Northwest Michigan horticultural research		
7	station . . . . .		41,800
8	Southwestern Michigan tourist council - taste		
9	of Michigan . . . . .		60,400
10	Future farmers of America . . . . .		<u>60,000</u>
11	GROSS APPROPRIATION . . . . .	\$	4,325,500
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG-MDCIS (LCC), nonretail liquor license fees .		448,400
15	Federal revenues:		
16	DAG, ERS-ARED . . . . .		126,100
17	DAG, federal/state marketing improvement		
18	program . . . . .		100,000
19	Special revenue funds:		
20	Industry support funds . . . . .		225,000
21	State general fund/general purpose . . . . .	\$	3,426,000
22	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>		
23	Full-time equated classified positions . . . 35.0		
24	Michigan state fair operations--22.0 FTE		
25	positions . . . . .	\$	6,994,300
26	Fairs and racing--5.0 FTE positions . . . . .		604,300
27	Upper Peninsula state fair--8.0 FTE positions .		1,375,700
28	Michigan festivals . . . . .		50,000
29	Building and track improvements--county and		

1	state fairs . . . . .	753,100
2	Draft horse shows . . . . .	78,200
3	Premiums--county and state fairs . . . . .	1,611,200
4	Standardbred purses and supplements--fairs and	
5	licensed tracks . . . . .	2,684,100
6	Standardbred Fedele Fauri futurity . . . . .	87,900
7	Standardbred Michigan futurity . . . . .	87,900
8	Quarterhorse programs . . . . .	39,600
9	Licensed tracks -- light horse racing . . . . .	76,700
10	Standardbred breeders' awards . . . . .	1,332,000
11	Standardbred purses and supplements--licensed	
12	tracks . . . . .	291,600
13	Sire stakes program . . . . .	2,095,500
14	Standardbred training and stabling . . . . .	43,700
15	Thoroughbred program . . . . .	1,859,800
16	Thoroughbred owners' awards . . . . .	<u>155,700</u>
17	GROSS APPROPRIATION . . . . .	\$ 20,221,400
18	Appropriated from:	
19	Special revenue funds:	
20	Agriculture equine industry development fund . .	8,804,600
21	Michigan state fair revenue . . . . .	7,085,100
22	Upper Peninsula state fair revenue . . . . .	1,200,000
23	State general fund/general purpose . . . . .	\$ 3,131,700
24	<b>Sec. 111. OFFICE OF RACING COMMISSIONER</b>	
25	Full-time equated classified positions . . .	39.7
26	Office of racing commissioner--39.7 FTE	
27	positions . . . . .	\$ <u>3,854,400</u>
28	GROSS APPROPRIATION . . . . .	\$ 3,854,400
29	Appropriated from:	



## 1 Special revenue funds:

2 Agriculture equine industry development fund . . . . . 3,854,400

3 State general fund/general purpose . . . . . \$ 0

## 4 PART 2

## 5 PROVISIONS CONCERNING APPROPRIATIONS

6 **GENERAL SECTIONS**

7 Sec. 201. (1) Pursuant to section 30 of article IX of the  
 8 state constitution of 1963, total state spending under part 1 for  
 9 fiscal year 2000-2001 is \$83,831,900.00 and state appropriations to be  
 10 paid to local units of government are as follows:

## 11 DEPARTMENT OF AGRICULTURE

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

13 Local conservation districts . . . . . 1,400,000

14 TOTAL . . . . . \$ 3,100,000

15 (2) If it appears to the principal executive officer of a  
 16 department or branch that state spending to local units of government  
 17 will be less than the amount that was projected to be expended for any  
 18 quarter under subsection (1), the principal executive officer shall  
 19 immediately give notice of the approximate shortfall to the state  
 20 budget director, the senate and house of representatives standing  
 21 committees on appropriations, and the senate and house fiscal  
 22 agencies.

23 Sec. 202. The expenditures and funding sources authorized under  
 24 this bill are subject to the management and budget act, 1984 PA 431,  
 25 MCL 18.1101 to 18.1594.

26 Sec. 203. (1) In addition to the funds appropriated in part 1,  
 27 there is appropriated an amount not to exceed \$5,000,000.00 for  
 28 federal contingency funds. These funds are not available for  
 29 expenditure until they have been transferred to another line item in

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

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

9 (3) In addition to the funds appropriated in part 1, there is  
10 appropriated an amount not to exceed \$100,000.00 for local contingency  
11 funds. These funds are not available for expenditure until they have  
12 been transferred to another line item in this bill pursuant to section  
13 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

14 (4) In addition to the funds appropriated in part 1, there is  
15 appropriated an amount not to exceed \$100,000.00 for private  
16 contingency funds. These funds are not available for expenditure  
17 until they have been transferred to another line item in this bill  
18 pursuant to section 393(2) of the management and budget act, 1984 PA  
19 431, MCL 18.1393.

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

28 (2) The state budget director shall grant exceptions to this  
29 hiring freeze when the state budget director believes that the hiring  
30 freeze will result in rendering a state department or agency unable to

1 deliver basic services. The state budget director shall report by the  
2 30<sup>th</sup> of each month to the chairpersons of the senate and house of  
3 representatives standing committees on appropriations the number of  
4 exceptions to the hiring freeze approved during the previous month and  
5 the reasons to justify the exception.

6 Sec. 205. The department of civil service shall bill departments  
7 and agencies at the end of the first fiscal quarter for the 1% charge  
8 authorized by section 5 of article XI of the state constitution of  
9 1963. Payments shall be made for the total amount of the billing by  
10 the end of the second fiscal quarter.

11 Sec. 206. As used in this bill:

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

13 (b) "DAG-AMS" means the DAG agriculture marketing service.

14 (c) "DAG-APHIS" means the DAG animal and plant health inspection  
15 service.

16 (d) "DAG-ERS-ARED" means the DAG economic research service -  
17 agriculture and rural economy division.

18 (e) "DAG-FS" means the DAG forest service.

19 (f) "DAG-NRCS" means the DAG natural resources conservation  
20 service.

21 (g) "Department" means the Michigan department of agriculture.

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

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

24 (j) "EPA-OECA" means the EPA-office of enforcement and compliance  
25 assistance.

26 (k) "EPA-OW" means the EPA office of water.

27 (l) "EPA-RCRA" means the EPA resource conservation and recovery  
28 act.

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

30 (n) "GREEN" means generating research and extension to meet

1 environmental and economic needs.

2 (o) "HHS-FDA" means the HHS food and drug administration.

3 (p) "IDG" means interdepartmental grant.

4 (q) "MDCIS" means the Michigan department of consumer industry  
5 services.

6 (r) "MDCH" means the Michigan department of community health.

7 (s) "MDCIS (LCC)" means the MDCIS liquor control commission.

8 (t) "MDEQ" means the Michigan department of environmental quality.

9 Sec. 207. The unexpended and unencumbered balance of revenue  
10 deposited pursuant to section 20 (12) OF 1997 PA 73, MCL 731.320 for  
11 the fiscal year ending September 30, 2001, shall be appropriated to  
12 the Michigan agriculture equine industry development fund for  
13 distribution as set forth in section 20(4) to section 20(11) of 1997  
14 PA 73, MCL 431.320.

15 Sec. 208. (1) Of the funds appropriated in part 1, the department  
16 may provide for indemnity as provided for pursuant to the animal  
17 industry act of 1987, 1988 PA 466, MCL 287.701 to 287.747, not to  
18 exceed \$10,000.00 per order from any line item for the fiscal year  
19 ending September 30, 2001. Before the department provides for an  
20 indemnification under this section, the department shall report the  
21 reason for the indemnification, the amount of the indemnification, and  
22 to whom the indemnification is to be paid. The report shall be given  
23 to each member of the house and senate appropriations subcommittees on  
24 agriculture and to the senate and house fiscal agencies.

25 (2) The department of agriculture shall make an indemnification  
26 payment for the fair market value of livestock that is killed by a  
27 wolf, if the kill is verified by the department of natural resources.  
28 The fair market value of the livestock shall be determined pursuant to  
29 the indemnification procedures prescribed in the animal industry act  
30 of 1987, 1988 PA 466, MCL 287.701 to 287.747. In addition to the funds

1 appropriated in part 1, the department of agriculture is authorized to  
 2 expend the funds received from the department of natural resources to  
 3 reimburse the department of agriculture for all indemnification  
 4 payments made pursuant to this subsection.

5       Sec. 209. Sixty days before beginning any effort to privatize,  
 6 the department shall submit a complete project plan to the appropriate  
 7 subcommittees of the senate and house of representatives standing  
 8 committees on appropriations and the senate and house fiscal agencies.  
 9 The plan shall include the criteria under which the privatization  
 10 initiative will be evaluated. The evaluation shall be completed and  
 11 submitted to the appropriate subcommittees of the senate and house of  
 12 representatives standing committees on appropriations and the senate  
 13 and house fiscal agencies within 30 months.

14       Sec. 210. The department shall continue to pilot the use of the  
 15 Internet to fulfill the reporting requirements in this bill. This may  
 16 include transmission of reports via electronic mail to the recipients  
 17 identified for each reporting requirement or it may include placement  
 18 of reports on the Internet or on the Intranet. The appropriations  
 19 subcommittee shall be notified in writing of the Internet/Intranet  
 20 site of any such report.

21 **EXECUTIVE**

22       Sec. 301. The appropriations in part 1 may be used for per diem  
 23 payments to members of boards, committees, and commissions for a full  
 24 day's board, committee, or commission work at which a quorum is  
 25 present; for attending a hearing as authorized by the respective  
 26 board, committee, or commission; or for performing official business  
 27 as authorized by the respective board, committee, or commission. The  
 28 per diem payments shall be at a rate as follows:

- |    |  |                 |
|----|--|-----------------|
| 29 | (a) Commission of agriculture . . . . .        | \$75.00 per day |
| 30 | (b) Upper Peninsula state fair board . . . . . | \$50.00 per day |

1 (c) Agricultural marketing and bargaining board \$35.00 per day

2 (d) Michigan state fair council . . . . . \$50.00 per day

3 (e) Grape and wine industry council . . . . . \$50.00 per day

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

9 (a) Management services publications.

10 (b) Management services audit and licensing functions.

11 (c) Upper Peninsula state fair livestock sales.

12 (d) Pesticide and plant pest management propagation and  
13 certification of virus free foundation stock.

14 (e) Pesticide and plant pest management bean inspection and  
15 grading services.

16 (f) Laboratory support testing for testing horses in draft horse  
17 pulling contests at county fairs when local jurisdictions request  
18 state assistance.

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

21 (h) Laboratory support analysis of food, livestock, and  
22 agricultural products for disease, foreign products for disease, toxic  
23 materials, foreign substances, and quality standards.

24 (i) Laboratory support test samples for other agencies and  
25 organizations.

26 (j) Fruit and vegetable inspection at shipping and termination  
27 points and processing plants.

28 Sec. 303. (1) From the appropriation in part 1 for project  
29 GREEN, \$6,100,000.00 is allocated for a grant to an institution of  
30 higher education for the purpose of research and/or extension programs

1 designed to address critical regulatory, food safety, economic, and  
2 environmental problems faced by Michigan's plant-based agriculture,  
3 forestry, and processing industries.

4 (2) A consortium of interested parties consisting of, but not  
5 limited to, representatives from the department, institutions of  
6 higher education, and agricultural commodity groups shall develop the  
7 research and/or extension program priorities described in subsection  
8 (1).

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

13 (4) Not later than November 1, 2001, the grantee under subsection  
14 (1) shall submit to the house and senate appropriations subcommittees  
15 on agriculture and to the house and senate fiscal agencies a report  
16 for the immediately preceding fiscal year regarding project GREEN  
17 projects. The report shall include, but is not limited to, the dollar  
18 amount of each project and a review of each project's performance and  
19 accomplishments.

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

## 22 **FOOD AND DAIRY**

23 Sec. 401. The department shall monitor restaurant inspection and  
24 licensing functions carried out by local health departments to ensure  
25 uniform application and enforcement of state licensing standards. On  
26 or before September 30, 2001, the department shall report to the  
27 senate and house appropriations subcommittees on agriculture, the  
28 senate and house fiscal agencies, and the state budget director on  
29 local health department conformance with state restaurant licensing  
30 standards.

**1 PESTICIDE AND PLANT PEST MANAGEMENT**

2       Sec. 501. Of the funds appropriated in part 1 to the pesticide  
3 and plant pest management division, up to \$100,000.00 may be made  
4 available to the Michigan cooperative extension service for the  
5 purpose of training of applicators. Reimbursement shall be based on  
6 actual expenditures and revenue availability.

7       Sec. 502. From the appropriation in part 1 for the disease and  
8 pest intervention fund program, the department shall utilize these  
9 funds as needed to respond to exotic or regulatory pests or diseases.

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

**14 ENVIRONMENTAL STEWARDSHIP**

15       Sec. 601. The amount appropriated in part 1 for grants to local  
16 conservation districts shall be used for providing financial  
17 assistance to all conservation districts in order to permit the  
18 districts to engage in programs that conserve soil resources and  
19 prevent and control soil erosion. All grants to local conservation  
20 districts shall be allocated according to a formula approved by the  
21 commission of agriculture.

22       Sec. 602. (1) The department may expend the amount appropriated  
23 in part 1 for migrant labor housing grants for construction of new  
24 migrant labor housing. Project grants shall not exceed \$4,000.00 per  
25 unit. An applicant is not eligible for more than a \$16,000.00 grant  
26 in any fiscal year. Units shall be equivalent in construction to  
27 units approved by the DAG-rural development agency for low interest  
28 construction loans and shall be not less than 484 square feet in size  
29 and be self-contained with a minimum of 1 bedroom, a kitchen, a flush  
30 toilet, a lavatory, and bathing facilities.



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

3 Sec. 603. (1) From the amounts appropriated in part 1 for migrant  
4 labor housing, no less than \$100,000.00 shall be allocated to a  
5 private, nonprofit entity for the purpose of providing matching grants  
6 for the improvement or new construction of migrant labor housing. The  
7 terms or requirements imposed on a recipient of a grant awarded for  
8 migrant labor housing improvement or new construction by a private,  
9 nonprofit entity shall be no less stringent than those imposed by the  
10 department on recipients of similar grants awarded by the department.  
11 An entity receiving funds under this section shall use no greater than  
12 7% of the state allocation for the administration of this program.

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

21 Sec. 604. From the part 1 appropriation for local conservation  
22 districts, \$300,000.00 shall be allocated for district forestry  
23 programs to assist private forest land development. Allocations to  
24 districts will be made in accordance with a plan developed by the  
25 department of agriculture in cooperation with the forest management  
26 division of the department of natural resources.

27 **MARKET DEVELOPMENT**

28 Sec. 701. Within the appropriations in part 1 for market  
29 development, \$448,400.00 is for the grape and wine industry council,  
30 from which the department may provide grants for the purposes as

1 described in section 303 of the Michigan liquor control code of 1998,  
2 1998 PA 58, MCL 436.1303.

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

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

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

15 (a) Cooperative efforts by recognized, statewide, grower funded  
16 organizations.

17 (b) The number of consumers made aware of the benefits of Michigan  
18 grown commodities.

19 (c) The number of Michigan grown products encompassed in the  
20 proposal.

21 (d) The amount of the match.

22 (3) A grant made under this section shall not be less than  
23 \$5,000.00 or more than \$25,000.00.

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

26 Sec. 704. Indirect costs may not be charged against the future  
27 farmers of America grant in part 1 by any administering agency.

28 Sec. 705. The amount appropriated in part 1 for Michigan  
29 festivals shall be allocated to the Michigan festivals and events  
30 association for the purpose of promoting commodity related festivals

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

4 **FAIRS AND EXPOSITIONS**

5 Sec. 801. The department shall submit a report each month for the  
 6 fiscal year ending September 30, 2001, to the state budget director,  
 7 the senate and house standing committees on appropriations, and the  
 8 senate and house fiscal agencies that sets forth the simulcasting  
 9 revenues generated in the preceding month by each licensed track and  
 10 the amount received from license fees.

11 Sec. 802. (1) The appropriation of \$291,600.00 in part 1 for  
 12 standardbred purses and supplements - fairs/licensed tracks is  
 13 intended to provide state purse supplements for 4 races at state  
 14 licensed pari-mutuel horse racing tracks. The purse supplements are  
 15 to be used for races comprised only of Michigan-bred horses segregated  
 16 into a 4-year-old colt trot division, a 4-year-old filly trot  
 17 division, a 4-year-old colt pace division, and a 4-year-old filly pace  
 18 division.

19 (2) The appropriation in part 1 for licensed tracks - light horse  
 20 racing shall be allocated as follows:

21	Arabian and Appaloosa horse racing . . . . .	\$	20,500.00
22	Quarter horse racing . . . . .	\$	61,300.00

23 Sec. 803. Included in the appropriation made in part 1 for the  
 24 thoroughbred program is \$30,500.00 for the Michigan united  
 25 thoroughbred breeders and owners association to conduct a thoroughbred  
 26 yearling show. The Michigan united thoroughbred breeders and owners  
 27 association shall submit to the department an itemized list of  
 28 expenses showing that the expenses of the yearling show were paid.

29 Sec. 804. From the funds appropriated in part 1 for thoroughbred  
 30 owners' awards, the department shall develop a program to provide for

1 thoroughbred owners' awards that will be given to owners of Michigan-  
2 bred horses finishing first in nonrestricted races at licensed pari-  
3 mutuel tracks in Michigan.

4 Sec. 805. The \$78,200.00 appropriated in part 1 for draft horse  
5 shows shall be allocated in equal amounts to the Can-Am draft horse  
6 show held at the Michigan state fairgrounds and the Great Lakes draft  
7 horse show held at Michigan State University.

8 Sec. 806. A county fair, district fair, 4-H fair, or state fair  
9 receiving funds in part 1 to be used for prizes or awards, in whole or  
10 in part, as a condition precedent to the receiving of the funds for  
11 those purposes, shall publish the rules relative to the prizes,  
12 awards, and deadlines for entries eligible for the funds in their  
13 official premium books or lists relative to the prizes or awards. An  
14 aggrieved exhibitor may make a written complaint to the fair within 10  
15 days after the fair ends. If the fair has not satisfactorily settled  
16 the grievance within 45 days after it is submitted to the fair, the  
17 aggrieved person may file the complaint with the department and the  
18 department shall investigate the complaint and make a finding of fact  
19 regarding the complaint and take appropriate action regarding the  
20 complaint.

21 Sec. 807. Of the amount appropriated in part 1 for standardbred  
22 purses and supplements - fairs/licensed tracks, a sufficient amount is  
23 appropriated to provide for overnight purse supplements pursuant to  
24 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

25 Sec. 808. Of the amount appropriated in part 1 for premiums,  
26 \$11,400.00 shall be expended as a grant for the Michigan horse show  
27 association - fall youth show at the Michigan exposition and  
28 fairgrounds.

29 Sec. 809. From the appropriations for premiums - county and state  
30 fairs in part 1, \$120,000.00 shall be awarded through a competitive

1 grant program to local, regional, or state fairs or expositions to  
2 promote youth involvement and adult exhibitions in the animal  
3 agriculture industry. Appropriate exhibition classes for youth shall  
4 be developed that encourage a production exhibit for which premium  
5 awards may be paid. The age for youth exhibitors shall be determined  
6 by the standards of the association requesting the grant or, if  
7 standards do not exist, the age for youth exhibitors shall be ages 9  
8 through 21. Implementation of the latest technologies into the  
9 evaluation of the animals shall be encouraged in the production  
10 exhibit. Adult exhibitions should focus on the performance or end  
11 product, or both, with the appropriate technologies used to enhance  
12 placings and the awarding of premiums.

13 **OFFICE OF RACING COMMISSIONER**

14 Sec. 901. The racing commissioner may pay rewards of not more  
15 than \$5,800.00 to a person who provides information that results in  
16 the arrest and conviction on a felony or misdemeanor charge for a  
17 crime that involves the horse racing industry. A reward paid pursuant  
18 to this section shall be paid out of the office of racing commissioner  
19 line item.