



Senate Fiscal Agency  
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BILL



ANALYSIS

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FY 2002-03 Year-to-Date Gross Appropriation .....	\$102,431,300
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#### Changes from FY 2002-03 Year-to-Date:

##### Items Included by the Senate and House

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| 1. <b>Grant Reductions/Eliminations.</b> The budget eliminates the horse show grant and reduces the conservation district grant, and the migrant labor housing grant.                    | (248,800) |
| 2. <b>Program Reductions/Eliminations.</b> The budget reduces fruit/vegetable inspection funding, information technology funding, and eliminates the regulatory seed inspection program. | (937,300) |
| 3. <b>Administrative Savings.</b> Various administrative savings are realized in the budget.   | (339,900) |
| 4. <b>Fee Increases.</b> The budget includes some fee increases recommended by the Governor; however, the budget includes all of the GF/GP savings totaling \$549,400.                   | (62,700)  |
| 5. <b>Economic Adjustments.</b> Adjustments for rent and building occupancy only.  | (55,200)  |
| 6. <b>Early retirement savings.</b>  | (693,800) |

##### Conference Agreement on Items of Difference

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|---|-------------|
| 7. <b>Bovine TB.</b> The Senate added \$773,300. The House added \$500,000. The Conference Committee agreed with the Senate but funded the increase from a funding shift included in the Agriculture Development, Marketing, and Emergency Management line item.  | 773,300     |
| 8. <b>Agriculture Equine Industry Development Fund.</b> The Senate cut various horse racing programs funded with the Fund, but rejected a related GF/GP funding shift recommended by the Governor. The Conference Committee agreed with the funding reductions, but reimbursed the GF/GP with revenue from the Fund.                          | (2,025,000) |
| 9. <b>Employee Turnover Savings.</b> The Senate included \$75,000 in savings and redirected this to other areas of the budget. The House increased the savings to \$100,000. The Conference Committee included \$100,000 and funded two grants with the \$25,000 difference.  | (25,000)    |
| * <b><i>The Governor vetoed the funding for the SW Michigan tourist council grant (\$15,000) and the NW Michigan horticultural research station grant (\$10,000).</i></b>   |             |
| 10. <b>Agriculture Development, Marketing, and Emergency Management.</b> The Conference Committee included a \$100,000 GF/GP reduction to reflect administrative savings resulting from consolidation of two divisions, Agriculture Development and Marketing/Communications. This funding is used to support the bovine TB program increase. | (100,000)   |
| 11. <b>Agricultural Enhancement Fund.</b> The House included \$2,600,000 in funding from proposed "racino" legislation. The Conference Committee did not include this funding.  | 0           |
| 12. <b>Other.</b> Adjustments to the level of restricted revenue, \$100,000 from the Department of Environmental Quality, and current-year contingency fund transfer adjustments.   | (1,566,100) |

Total Changes .....	(\$5,280,500)
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FY 2003-04 Enacted Gross Appropriation .....	\$97,150,800
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\* Vetoed by the Governor

**Changes from FY 2002-03 Year-to-Date:**Items Included by the Senate and House

1. **Standard Sections.** The Conference Committee included the following standard sections: state spending (201), Management and Budget Act (202), civil service billing (204), hiring freeze (205), privatization (207), Internet (208) buy American/Michigan (209) deprived communities (210), information technology user fees (219), and information technology work projects (220).
2. **Employee Turnover Savings.** The Conference Committee included language to require the Department to satisfy the employee turnover savings appropriation through legislative transfers (Sec. 222).

Conference Agreement on Items of Difference

3. **Administrative Efficiencies.** The Governor included language that would appropriate up to one-half of the unexpended FY 2002-03 GF/GP appropriations. The Senate did not include this language. The House included modified language. The Conference Committee did not include this language.
4. **Transfer to the General Fund.** The Senate included language that would transfer \$2,025,000 from the Agriculture Equine Industry Development Fund to the General Fund at year end. The House increased the transfer to \$2,223,000. The Conference Committee did not include this language.
5. **Indemnification Payments.** The House included language that provided payments to farmers for apiarian (bees) losses due to bears. This language was added to the existing section that provides indemnification payments to farmers for livestock that is lost due to wolves for coyotes. The Conference Committee included the language (Sec. 212).
- \* ***The Governor vetoed this section.***
6. **Agricultural Enhancement Fund.** The House included language to appropriate \$2,600,000 from the proposed Agricultural Enhancement Fund for specific programs. The Conference Committee modified the language to allow the appropriation only on condition of enactment of legislation and revenue availability (Sec. 224).
- \* ***The Governor vetoed this section.***
7. **Commissions Per Diem.** The Senate removed language allowing per diem payments for boards and committees. The House included the language only for commodity committees. The Conference Committee included the House language (Sec. 301).
8. **Local Conservation Districts.** The House increased the amount of training funds available to districts, based on the proposed use of the Agricultural Enhancement Fund. The Conference Committee included the Senate-recommended amount of training funds (Sec. 604).
9. **Food Bank.** The House included a boilerplate appropriation of \$369,500 for the Food Bank program. The Conference Committee did not include this language.
10. **State Fair.** The House included language to restrict Michigan State Fair expenditures to the amount included in the budget and prohibits the Department from covering costs of the Fair. The Conference Committee concurred with this language (Sec. 810).

Date Completed: 8-12-03

Fiscal Analyst: Craig Thiel