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Senate Bill 237 (Substitute S-1, Draft 1 as reported)
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FY 2008-09 Year-to-Date Gross Appropriation	\$104,855,300
Changes from FY 2008-09 Year-to-Date:	
1. State Services Fee Fund/Ag Equine Fund/General Fund Shift. The Governor recommended the elimination of the State Services Fee Fund (\$9.2 million) from the MDA budget and a reduction in appropriations from the Ag Equine Fund (3.1 million), with a partial replacement from the General Fund (\$3.1 million). The Senate maintained appropriations of \$6.0 million from the State Services Fee Fund and reversed many of the fund shifts.	(3,095,400)
2. Office of Racing Commissioner. The Senate reduced the appropriation for the ORC.	(800,000)
3. Buildings & Tracks Improvements. The Senate moved funding to support grants to local fairs for building and track projects.	480,000
4. Premiums at County Fairs. The Senate restored funding removed by the Governor for premiums at county fairs.	1,375,400
5. Dairy Inspection Fees. The Governor recommended a revised formula and increase in dairy inspection fees. The additional revenue would offset a General Fund reduction of \$700,000 in the program. The Senate included only \$100,000 in additional fees, \$400,000 in GF/GP, and reduced the line overall.	(200,000)
6. Elimination of the Upper Peninsula State Fair. The Governor recommended the discontinuation of the U.P State Fair and Executive Order 2009-4 implements that.	(1,382,500)
7. Agriculture Development. The Senate included \$500,000 from an IDG from the Department of Energy, Labor, and Economic Development for economic development in agriculture. This offsets moving \$400,000 GF/GP to the Dairy Program.	100,000
8. Reduction in Local Conservation Grants. The Governor recommended a 50% reduction in grants to local conservation districts. The grants are supported entirely by General Fund dollars. The Senate moved \$100 to this line.	(458,300)
9. Eliminate Water Withdrawal Assessment Funding. The Governor recommended a removal of funding for reporting of water withdrawal by farms. The Senate retained this funding and FTE.	0
10. Eliminate Local Public Health Interdepartmental Grant. The Governor recommended removing the IDG received from the Department of Community Health. Instead, DCH would distribute the grants with no change to grant levels. The Senate concurred.	(8,878,700)
11. Elimination of Unfunded Revenue Streams. The Governor recommended the removal of appropriations for which revenue is not expected to be received by the MDA. The fund sources affected are Federal, Restricted, and interdepartmental grants. The Senate retained appropriations for MAEAP and captive cervidae.	(2,512,000)
12. Economic Adjustments. The budget made adjustments for rent, building occupancy charges, salaries and wages, retirement benefits, workers' compensation, and utilities.	1,418,400
13. Other Changes. The budget included changes to internal audit funding, Federal grants, information technology, rent and building occupancy charges, and the continuation of previous GF/GP reductions.	(1,075,700)
14. Comparison to Governor's Recommendation. The Senate is \$6,326,600 Gross, \$0 GF/GP over the Governor.	
Total Changes.....	(\$15,028,800)
FY 2009-10 Senate Appropriations Subcommittee Gross Appropriation	\$89,826,500

Changes from FY 2008-09 Year to Date:

1. **Sections Removed.** The Governor and Senate removed sections regarding the MSU Pavilion, local public health funding reallocation, expenditures from the Ag Development Fund, an audit of racing tracks, and program impact changes.
2. **Sections Retained.** The Governor removed and the Senate retained language regarding a hiring freeze, IT work projects, disciplinary action, direct service employees, efficiency mechanisms, attendance at training seminars, sustainable food systems, motor fuel quality inspections, matching funds for agricultural statistics, vacancies in food and dairy programs, the E-inspector program, application for Federal Bovine TB funds, collaboration with USDA on Bovine TB, electronic tagging of animals at saleyards, prohibition on expanding electronic tagging, VHS eradication, Bovine TB vacancies, feed testing, fruit and vegetable inspections, Federal funds for migrant labor housing, NRCS technical match, EQIP, intercounty drains activity, export program, agriculture diversity, and agriculture business development. (Sections 205, 220, 224, 231, 232, 234, 235, 304, 306, 406, 407, 452, 454, 455, 456, 458, 459, 501, 551, 603, 605, 606, 607, 705, 707, and 711)
3. **Reports Retained.** The Governor removed and the Senate retained reports regarding grant notification to Legislature, policy changes, Legislative notification of proposed fee changes, food-borne outbreaks, progress toward USDA requirements, agriculture and export development, and the Grape and Wine Council. (Sections 214, 229, 302, 402, 457, 706, and 709)
4. **Indemnification Payments.** The Governor removed a reporting requirement on these payments and removed the authorization to make indemnification payments for livestock losses due to wolves, coyotes, or cougars. The Senate retained the current year language. (Sec. 212)
5. **Limitation on Travel.** The Governor maintained the restrictions on out-of-State travel and the report, but removed a specification that the State Budget Director may grant exceptions. The Senate concurred. (Sec. 223)
6. **Ag Equine Fund.** The Senate specified that all appropriations from the Agriculture Equine Industry Development Fund must be equine-related. (Sec. 236)
7. **General Fund Lapses.** The Senate required an annual report on lapses of General Fund appropriations. (Sec. 237)
8. **Local Health Grants.** The Senate concurred with the Governor to remove a reporting requirement on local health grants while keeping a provision on uniform application of standards. (Sec. 401)
9. **Agriculture Development.** The Senate specified that funding of \$500,000 in Part 1 shall be used for economic development in the food and agriculture sector. Required report on expenditures. (Sec. 712)
10. **Horse Racing Sections Removed.** The Governor removed all boilerplate sections regarding horse racing, fairs, and expositions. Issues included simulcast revenues, purses and supplements, thoroughbreds, fair premiums, large animal exhibits, competitive grants, and outstanding winning ticket revenue. The Senate retained all language regarding horse racing. (Sections 801-809, and 811)
11. **Notification of ORC Rule-Making.** The Senate required the Office of Racing Commissioner to notify a certified horsemen's organization before submitting a request for rule-making. (Sec. 903)
12. **ORC Agency Type.** The Senate stated intent that the Office of Racing Commissioner no longer be designated a Type I agency and budgetary savings would result. (Sec. 904)

Date Completed: 3-24-09

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