

FY 2024-25 AGRICULTURE AND RURAL DEVELOPMENT BUDGET

S.B. 758 (S-3): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2023-24 YEAR-TO-DATE*	FY 2024-25 SENATE APPROPRIATIONS REC.	CHANGES FROM FY 2023-24 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	544.0	546.0	2.0	0.4
GROSS	168,612,700	163,218,900	(5,393,800)	(3.2)
Less:				
Interdepartmental Grants Received	327,000	332,400	5,400	1.7
ADJUSTED GROSS	168,285,700	162,886,500	(5,399,200)	(3.2)
Less:				
Federal Funds	29,762,700	20,357,900	(9,404,800)	(31.6)
Local and Private.....	21,300	21,300	0	0.0
TOTAL STATE SPENDING.....	138,501,700	142,507,300	4,005,600	2.9
Less:				
Other State Restricted Funds.....	45,719,900	61,950,900	16,231,000	35.5
GENERAL FUND/GENERAL PURPOSE	92,781,800	80,556,400	(12,225,400)	(13.2)
PAYMENTS TO LOCALS	11,900,000	8,800,000	(3,100,000)	(26.1)

*As of February 7, 2024.

Major Boilerplate Changes from FY 2023-24 Year-to-Date:

- The Senate retained most FY 2023-24 boilerplate language with minor technical changes reflecting department re-organization**, and kept language pertaining to program goals and metrics, added new language including one requiring a MOU with Michigan State University Extension to provide MAEAP support to local districts, using funds currently used to fund technicians housed within local conservation districts (Sec.505), language requiring \$3.0 million of the \$6.0 million appropriated to conservation districts to be spent via contractual agreements with conservation districts for services performed – along with a required report (Sec.609), language requiring work project designations for minority-owned food and agriculture ventures (Sec. 910), soil health workshops and education (Sec. 902), study on funding and role of conservation districts (Sec. 903), cost sharing for no-till adoption in western Lake Erie Basin (Sec. 904), risk mitigation costs of no-till adoption in western Lake Erie Basin (Sec. 905), soil health education in western Lake Erie Basin (Sec.906) and added a section which authorizes the lapse of \$15.5 million in work project funds from the appropriation for agriculture nutrient best management voluntary practices program under PA 87 of 2021 and provides for its expenditure for FY 2024-25 under the Senate bill (Sec.907) .

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FY 2023-24 Year-to-Date Appropriation	\$168,612,700	\$92,781,800		
	CHANGE FROM FY 2023-24 Y-T-D		FY 2024-25 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<u>Baseline Adjustments</u>				
1. Emergency Management. The Senate included \$600,000 for Emergency Management Federal Support Grant Authorization to support incident command training and services through emergency management grants from the USDA.	600,000	0	3,553,100	2,514,100
2. Unclassified Salaries. The Senate included aligning authorization with available revenues in support of unclassified employees which requires the addition of \$335,100 in additional Restricted revenues.	335,100	0	1,033,200	698,100
3. ARP - Resilient Food Systems Infrastructure (One-Time). The Senate included the elimination of a one-time grant of \$10.1 million from the USDA to support resilient food system infrastructure.	(10,100,000)	0	0	0
4. Agricultural Climate Resiliency (One-Time). The Senate included elimination of one-time funding to promote the usage and implementation of best regenerative agriculture farming practices. The Governor proposed continuation of \$1.0 million GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(6,000,000)	(6,000,000)	1,000,000	1,000,000
5. Soil Health/Regenerative Agriculture (One-Time). The Senate included the elimination of \$5.0 million GF/GP in one-time funding for a grant and community outreach program to assist farmers with regenerative agricultural practices, which include regenerative agriculture systems to minimize soil disturbance, maximize crop diversity, maintenance of root structure, and integration of livestock. The Governor proposed continuation of 5.0 FTEs and \$1,024,000 GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(5,000,000)	(5,000,000)	1,024,900	1,024,900
6. Minority-Owned Food and Agriculture Ventures (One-Time). The Senate included the elimination of funding for a grant program of \$2.9 million GF/GP to help expand minority businesses in food and agriculture in the State.	(2,900,000)	(2,900,000)	0	0

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	Gross	GF/GP	Gross	GF/GP
7. County Fairs, Shows, and Expositions (One-Time). The Senate included the elimination of an appropriation of \$2.0 million GF/GP to support State grants to county fairs, shows and exhibition. The Governor proposed continuation of \$500,000 GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(2,000,000)	(2,000,000)	500,000	500,000
8. Emerging Contaminants in Food and Agriculture (One-Time). The Senate included the elimination of \$1,999,800 GF/GP in one-time funding to provide for research, testing, analyzing, and response to emerging contaminants in the food and agriculture sector. The Governor proposed continuation of 6.0 FTEs and \$2,109,900 GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(1,999,800)	(1,999,800)	2,109,900	2,109,900
9. Food and Agriculture Supply Chain Investment (One-Time). The Senate included the elimination of \$1.0 million GF/GP to address existing problems within the agriculture food chain in the State. The Governor proposed continuation of 1.0 FTE and \$804,900 GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(1,000,000)	(1,000,000)	804,900	804,900
10. Local Conservation Districts (One-Time). The Senate included the elimination of \$1.0 million GF/GP in grants to local conservation districts. The Governor proposed continuation of \$2.0 million GF/GP in ongoing appropriations for the same purpose for FY 2024-25.	(1,000,000)	(1,000,000)	2,000,000	2,000,000
11. Office of Rural Development. The Senate included the elimination of 1.0 FTE and \$697,400 GF/GP to reflect Executive Order 2023-6 which transferred the Office of Rural Development to the Department of Labor and Economic Opportunity.	(697,400)	(697,400)	0	0
12. Laboratory Animal Welfare (One-Time). The Senate included the elimination of \$500,000 GF/GP in one-time funding which covered implementation costs in addressing the treatment of research animals, per the proposed "Teddy's Law."	(500,000)	(500,000)	N/A	N/A
13. Washtenaw Conservation District - MIFarmLink Pilot Project (One-Time). The Senate included the elimination of \$100,000 GF/GP for a pilot project to help connect new farmers with opportunities to gain access to land to start their own farms.	(100,000)	(100,000)	0	0
14. Northern Michigan Herd Protection and Management (One-Time). The Senate included the elimination of a \$100 GF/GP placeholder for a cost-share herd protection program.	(100)	(100)	0	0

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	Gross	GF/GP	Gross	GF/GP
15. Rural Venture Capital (One-Time). The Senate included the elimination of \$100 GF/GP placeholder appropriation for the Rural Venture Capital Program.	(100)	(100)	0	0
16. Economic Adjustments. Includes \$1,968,500 Gross and \$1,472,000 GF/GP for total economic adjustments.	1,968,500	1,472,000	N/A	N/A
<u>New Programs/Program Increases</u>				
17. Farm to Family Program. The Senate included 3.0 FTEs and \$2.0 million GF/GP to support regenerative farming, agriculture supply chains, and promote Michigan food products in the home through a cooperative approach to generate economic impact.	2,000,000	2,000,000	2,000,000	2,000,000
18. Agriculture Environmental Assurance Program. The Senate included a boilerplate requirement that \$3.0 million be allocated to establish a contractual agreement with Michigan State University Extension to provide MAEAP support to local districts, by using funds currently used to fund technicians housed within local conservation districts.	0	0	10,825,300	471,600
19. Conservation Districts. The Senate added \$4.0 million GF/GP for ongoing appropriations for conservation districts for a total of \$6.0 million GF/GP for FY 2024-25, with \$3.0 million required to be allocated to establishing MOU agreements with local districts for services performed.	4,000,000	4,000,000	6,000,000	6,000,000
<u>Eliminations/Reductions - NONE</u>				
<u>One-Time Appropriations</u>				
20. Animal Welfare Grants. The Senate included funding for animal welfare grant program.	500,000	500,000	500,000	500,000
21. Minority-Owned Food and Agriculture Ventures. The Senate included funding for grant program which was appropriated at \$2.9 million for FY 2023-24.	500,000	500,000	500,000	500,000
22. Study on Funding and Role of Conservation Districts. The Senate included funding for independent study.	249,900	249,900	249,900	249,900
23. Soil Health Workshops and Education. The Senate included appropriation for education programs.	249,900	249,900	249,900	249,900

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	Gross	GF/GP	Gross	GF/GP
24. Craft Beverage Council Wine/Agri-Tourism Promotion. The Senate added placeholder appropriation for promotion program.	100	100	100	100
25. Farmers Markets Upgrades. The Senate included placeholder appropriation for grant program.	100	100	100	100
26. Cost Sharing for No-Till Adoption in Western Lake Erie Basin. The Senate included appropriation for cost-sharing program.	9,000,000	0	9,000,000	0
27. Risk Mitigation Costs of No-Till Adoption in Western Lake Erie Basin. The Senate included appropriation to help mitigate costs.	4,000,000	0	4,000,000	0
28. Soil Health Education in Western Lake Erie Basin. The Senate included funds for education program.	2,500,000	0	2,500,000	0
Total Changes.....	(\$5,393,800)	(\$12,225,400)		
FY 2024-25 SENATE APPROPRIATIONS REC.	\$163,218,900	\$80,556,400		

Date Completed: 4-24-24

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