

SENATE BILL No. 264

March 2, 2005, Introduced by Senators BARCIA and EMERSON 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, 2006; 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 amounts listed in this part are appropriated for the department of

1 agriculture for the fiscal year ending September 30, 2006, from the
 2 funds indicated in this part. The following is a summary of the
 3 appropriations in this part:

4 **DEPARTMENT OF AGRICULTURE**

5 APPROPRIATION SUMMARY:

6	Full-time equated unclassified positions.....	6.0	
7	Full-time equated classified positions.....	694.0	
8	GROSS APPROPRIATION.....		\$ 113,053,900
9	Interdepartmental grant revenues:		
10	IDG from MDCH, local public health operations		8,878,700
11	IDG from MDEQ, biosolids		87,300
12	IDG from MDEQ, MAEAP		150,000
13	IDG from MDEQ, type II well survey		16,300
14	IDG from MDLEG (LCC), liquor quality testing fees		185,900
15	IDG from MDNR, district forestry and wildlife		
16	program		1,000,000
17	Total interdepartmental grants and intradepartmental		
18	transfers		10,318,200
19	ADJUSTED GROSS APPROPRIATION.....		\$ 102,735,700
20	Federal revenues:		
21	DAG, multiple grants		29,795,800
22	EPA, multiple grants		2,436,300
23	HHS-FDA.....		349,600
24	Total federal revenues		32,581,700
25	Special revenue funds:		
26	Total local revenues		0
27	Private - slow-the-spread foundation		138,700

1	Total private revenues	138,700
2	Agricultural preservation fund	900,000
3	Agriculture equine industry development fund	11,290,500
4	Agriculture pollution prevention fund	100
5	Cervidae licensing and inspection fees	214,300
6	Civil penalties	45,700
7	Commodity inspection fees	888,300
8	Gasoline inspection and testing fund	2,468,700
9	Groundwater and freshwater protection fund	4,936,800
10	Horticulture fund	74,700
11	Industry support funds	534,500
12	Licensing and inspection fees	6,689,400
13	Nonretail liquor fees	625,200
14	Pseudorabies and swine brucellosis fund	15,600
15	Refined petroleum fund	1,855,600
16	State services fee fund	8,535,600
17	Testing fees	405,000
18	Upper Peninsula state fair revenue	1,338,400
19	Weights and measures regulation fees	624,300
20	Total other state restricted revenues	41,442,700
21	State general fund/general purpose	\$ 28,572,600
22	Sec. 102. EXECUTIVE	
23	Full-time equated unclassified positions	6.0
24	Full-time equated classified positions	52.0
25	Commission and boards	\$ 47,300
26	Unclassified positions--6.0 FTE positions	354,000
27	Executive direction--10.0 FTE positions	1,050,500

1	Management services--35.5 FTE positions	2,997,300
2	Statistical reporting service--4.0 FTE positions	348,000
3	Emergency management--2.5 FTE positions	226,200
4	Human resource optimization user charges	<u>29,500</u>
5	GROSS APPROPRIATION	\$ 5,052,800
6	Appropriated from:	
7	Special revenue funds:	
8	Gasoline inspection and testing fund	55,000
9	Industry support funds	30,000
10	Nonretail liquor fees	8,800
11	State services fee fund	561,300
12	Upper Peninsula state fair revenue	9,000
13	State general fund/general purpose	\$ 4,388,700
14	Sec. 103. DEPARTMENTWIDE	
15	Rent and building occupancy charges	\$ <u>1,463,400</u>
16	GROSS APPROPRIATION	\$ 1,463,400
17	Appropriated from:	
18	Federal revenues:	
19	DAG, multiple grants	100,500
20	EPA, multiple grants	61,200
21	HHS-FDA	13,100
22	Special revenue funds:	
23	Agricultural preservation fund	23,900
24	Groundwater and freshwater protection fund	9,500
25	Licensing and inspection fees	59,700
26	Nonretail liquor fees	7,900
27	State services fee fund	304,600

1	State general fund/general purpose	\$	883,000
2	Sec. 104. FOOD AND DAIRY		
3	Full-time equated classified positions.....	107.0	
4	Food safety and quality assurance--107.0 FTE		
5	positions	\$	10,873,700
6	Local public health operations		<u>8,878,700</u>
7	GROSS APPROPRIATION	\$	19,752,400
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from MDCH, local public health operations		8,878,700
11	Federal revenues:		
12	DAG, multiple grants		24,800
13	HHS-FDA		203,700
14	Special revenue funds:		
15	Civil penalties		45,700
16	Licensing and inspection fees		3,187,900
17	State general fund/general purpose	\$	7,411,600
18	Sec. 105. ANIMAL INDUSTRY		
19	Full-time equated classified positions.....	52.0	
20	Animal health and welfare--25.5 FTE positions	\$	2,407,900
21	Bovine tuberculosis program--26.5 FTE positions		<u>5,747,900</u>
22	GROSS APPROPRIATION	\$	8,155,800
23	Appropriated from:		
24	Federal revenues:		
25	DAG, multiple grants		1,251,000
26	HHS-FDA		68,800
27	Special revenue funds:		

1	Agriculture equine industry development fund	2,354,000
2	Cervidae licensing and inspection fees	214,300
3	Licensing and inspection fees	102,000
4	Pseudorabies and swine brucellosis fund	15,600
5	State general fund/general purpose	\$ 4,150,100
6	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
7	Full-time equated classified positions.....	231.8
8	Pesticide and plant pest management--119.8 FTE	
9	positions	\$ 12,914,600
10	Emerald ash borer control program--112.0 FTE	
11	positions	<u>23,660,600</u>
12	GROSS APPROPRIATION	\$ 36,575,200
13	Appropriated from:	
14	Federal revenues:	
15	DAG, multiple grants	25,809,100
16	EPA, multiple grants	1,610,600
17	HHS-FDA	64,000
18	Special revenue funds:	
19	Private - slow-the-spread foundation	138,700
20	Commodity inspection fees	888,300
21	Horticulture fund	74,700
22	Industry support funds	319,900
23	Licensing and inspection fees	3,220,500
24	State general fund/general purpose	\$ 4,449,400
25	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
26	Full-time equated classified positions.....	47.0
27	Environmental stewardship--32.7 FTE positions	\$ 2,704,500

1	Groundwater and freshwater protection program--8.3	
2	FTE positions.....	5,026,600
3	Farmland and open space preservation--6.0 FTE	
4	positions	902,500
5	Cooperative resources management initiative program ..	1,000,000
6	Agriculture pollution prevention program.....	400,100
7	Local conservation districts.....	<u>1,516,800</u>
8	GROSS APPROPRIATION.....	\$ 11,550,500
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDEQ, biosolids.....	87,300
12	IDG from MDEQ, MAEAP.....	150,000
13	IDG from MDEQ, type II well survey.....	16,300
14	IDG from MDNR, district forestry and wildlife	
15	program	1,000,000
16	Federal revenues:	
17	DAG, multiple grants.....	400,000
18	EPA, multiple grants.....	424,500
19	Special revenue funds:	
20	Agricultural preservation fund.....	875,900
21	Agriculture pollution prevention fund.....	100
22	Groundwater and freshwater protection fund.....	4,927,200
23	State general fund/general purpose.....	\$ 3,669,200
24	Sec. 108. LABORATORY PROGRAM	
25	Full-time equated classified positions.....148.0	
26	Laboratory services--60.5 FTE positions	\$ 5,438,000
27	USDA monitoring--18.0 FTE positions	1,990,000

1	Consumer protection program--69.5 FTE positions	<u>3,883,800</u>
2	GROSS APPROPRIATION	\$ 11,311,800
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from MDLEG (LCC), liquor quality testing fees	183,100
6	Federal revenues:	
7	DAG, multiple grants	2,011,400
8	EPA, multiple grants	340,000
9	Special revenue funds:	
10	Gasoline inspection and testing fund	2,386,700
11	Refined petroleum fund	1,855,600
12	State services fee fund	503,200
13	Testing fees	405,000
14	Weights and measures regulation fees	624,300
15	State general fund/general purpose	\$ 3,002,500
16	Sec. 109. AGRICULTURE DEVELOPMENT	
17	Full-time equated classified positions.....8.0	
18	Agriculture development--5.0 FTE positions	\$ 873,300
19	Grape and wine program--3.0 FTE positions	662,600
20	Export market development program	<u>50,000</u>
21	GROSS APPROPRIATION	\$ 1,585,900
22	Appropriated from:	
23	Federal revenues:	
24	DAG, multiple grants	199,000
25	Special revenue funds:	
26	Industry support funds	154,600
27	Nonretail liquor fees	608,000

1	State services fee fund.....		350,700
2	State general fund/general purpose	\$	273,600
3	Sec. 110. FAIRS AND EXPOSITIONS		
4	Full-time equated classified positions.....	16.5	
5	Upper Peninsula state fair--7.0 FTE positions	\$	1,328,500
6	Fairs, racing and producer security--9.5 FTE		
7	positions		1,057,400
8	Premiums - county and state fairs		1,614,000
9	Purses and supplements - fairs/licensed tracks		2,592,700
10	Quarterhorse programs		39,600
11	Licensed tracks - light horse racing		76,500
12	Standardbred breeders' awards		1,230,900
13	Standardbred purses and supplements-licensed tracks ..		275,700
14	Standardbred sire stakes		1,031,300
15	Thoroughbred sire stakes		1,031,300
16	Standardbred training and stabling		43,600
17	Thoroughbred program		1,804,800
18	Thoroughbred owners' awards		155,200
19	Distribution of outstanding winning tickets		<u>500,000</u>
20	GROSS APPROPRIATION	\$	12,781,500
21	Appropriated from:		
22	Special revenue funds:		
23	Agriculture equine industry development fund		8,781,600
24	Industry support funds		30,000
25	Licensing and inspection fees		119,300
26	State services fee fund		2,522,100
27	Upper Peninsula state fair revenue		1,328,500

1	State general fund/general purpose	\$	0
2	Sec. 111. OFFICE OF RACING COMMISSIONER		
3	Full-time equated classified positions.....31.7		
4	Office of racing commissioner--31.7 FTE positions	\$	<u>3,296,400</u>
5	GROSS APPROPRIATION	\$	3,296,400
6	Appropriated from:		
7	Special revenue funds:		
8	State services fee fund		3,296,400
9	State general fund/general purpose	\$	0
10	Sec. 112. INFORMATION TECHNOLOGY		
11	Information technology services and projects	\$	<u>1,528,200</u>
12	GROSS APPROPRIATION	\$	1,528,200
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from MDLEG (LCC), liquor quality testing fees		2,800
16	Special revenue funds:		
17	Agricultural preservation fund		200
18	Agriculture equine industry development fund		154,900
19	Gasoline inspection and testing fund		27,000
20	Groundwater and freshwater protection fund		100
21	Nonretail liquor fees		500
22	State services fee fund		997,300
23	Upper Peninsula state fair revenue		900
24	State general fund/general purpose	\$	344,500

25 PART 2

26 PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2005-2006 is \$70,015,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$3,316,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE

Groundwater and freshwater protection program	\$	1,800,000
Local conservation districts		<u>1,516,800</u>
TOTAL	\$	3,316,800

Sec. 202. The appropriations authorized under this bill are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this bill:

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

(b) "Department" means the department of agriculture.

(c) "Director" means the director of the department.

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

(e) "FTE" means full-time equated.

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

(g) "IDG" means interdepartmental grant.

(h) "MAEAP" means the Michigan agriculture environmental

1 assurance program.

2 (i) "MDCH" means the Michigan department of community health.

3 (j) "MDLEG (LCC)" means the Michigan department of labor and
4 economic growth - liquor control commission.

5 (k) "MDEQ" means the Michigan department of environmental
6 quality.

7 (l) "MDNR" means the Michigan department of natural resources.

8 Sec. 204. The department of civil service shall bill
9 departments and agencies at the end of the first fiscal quarter for
10 the 1% charge authorized by section 5 of article XI of the state
11 constitution of 1963. Payments shall be made for the total amount
12 of the billing by the end of the second fiscal quarter.

13 Sec. 205. (1) A hiring freeze is imposed on the state
14 classified civil service. State departments and agencies are
15 prohibited from hiring any new full-time state classified civil
16 service employees and prohibited from filling any vacant state
17 classified civil service positions. This hiring freeze does not
18 apply to internal transfers of classified employees from 1 position
19 to another within a department.

20 (2) The state budget director may grant exceptions to this
21 hiring freeze when the state budget director believes that the
22 hiring freeze will result in rendering a state department or agency
23 unable to deliver basic services, cause loss of revenue to the
24 state, result in the inability of the state to receive federal
25 funds, or necessitate additional expenditures that exceed any
26 savings from maintaining a vacancy. The state budget director
27 shall report quarterly to the chairpersons of the senate and house

1 of representatives standing committees on appropriations the number
2 of exceptions to the hiring freeze approved during the previous
3 quarter and the reasons to justify the exception.

4 Sec. 206. Unless otherwise specified, the department shall use
5 the Internet to fulfill the reporting requirements of this bill.
6 This requirement may include transmission of reports via electronic
7 mail to the recipients identified for each reporting requirement,
8 or it may include placement of reports on an Internet or Intranet
9 site.

10 Sec. 207. Funds appropriated in part 1 shall not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference should be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses if they are competitively priced and of comparable
16 quality.

17 Sec. 208. The director shall take all reasonable steps to
18 ensure businesses in deprived and depressed communities compete for
19 and perform contracts to provide services or supplies, or both.
20 The director shall strongly encourage firms with which the
21 department contracts to subcontract with certified businesses in
22 depressed and deprived communities for services, supplies, or both.

23 Sec. 209. From the funds appropriated in part 1 for information
24 technology, departments and agencies shall pay user fees to the
25 department of information technology for technology-related
26 services and projects. Such user fees shall be subject to
27 provisions of an interagency agreement between the departments and

1 agencies and the department of information technology.

2 Sec. 210. Amounts appropriated in part 1 for information
3 technology may be designated as work projects and carried forward
4 to support technology projects under the direction of the
5 department of information technology. Funds designated in this
6 manner are not available for expenditure until approved as work
7 projects under section 451a of the management and budget act, 1984
8 PA 431, MCL 18.1451a.

9 Sec. 211. (1) Due to the current budgetary problems in this
10 state, out-of-state travel for the fiscal year ending September 30,
11 2006 shall be limited to situations in which 1 or more of the
12 following conditions apply:

13 (a) The travel is required by legal mandate or court order or
14 for law enforcement purposes.

15 (b) The travel is necessary to protect the health or safety of
16 Michigan citizens or visitors or to assist other states in similar
17 circumstances.

18 (c) The travel is necessary to produce budgetary savings or to
19 increase state revenues, including protecting existing federal
20 funds or securing additional federal funds.

21 (d) The travel is necessary to comply with federal
22 requirements.

23 (e) The travel is necessary to secure specialized training for
24 staff that is not available within this state.

25 (f) The travel is financed entirely by federal or nonstate
26 funds.

27 (2) If out-of-state travel is necessary but does not meet 1 or

1 more of the conditions in subsection (1), the state budget director
2 may grant an exception to allow the travel. Any exceptions granted
3 by the state budget director shall be reported on a monthly basis
4 to the senate and house of representatives standing committees on
5 appropriations.

6 (3) Not later than January 1 of each year, each department shall
7 prepare a travel report listing all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the chairs and members of the senate and house of
12 representatives standing committees on appropriations, the fiscal
13 agencies, and the state budget director. The report shall include
14 the following information:

15 (a) The name of each person receiving reimbursement for travel
16 outside this state or whose travel costs were paid by this state.

17 (b) The destination of each travel occurrence.

18 (c) The dates of each travel occurrence.

19 (d) A brief statement of the reason for each travel occurrence.

20 (e) The transportation and related costs of each travel
21 occurrence, including the proportion funded with state general
22 fund/general purpose revenues, the proportion funded with state
23 restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

25 (f) A total of all out-of-state travel funded for the
26 immediately preceding fiscal year.

27 Sec. 212. (1) In addition to the funds appropriated in part 1,

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

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

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

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

24 Sec. 213. Of the funds appropriated in part 1, the department
25 may provide for indemnity as provided for pursuant to the animal
26 industry act of 1987, 1988 PA 466, MCL 287.701 to 287.745, not to
27 exceed \$100,000.00 per order from any line item for the fiscal year

1 ending September 30, 2006. Before the department provides for an
2 indemnification under this section, the department shall report the
3 reason for the indemnification, the amount of the indemnification,
4 and to whom the indemnification is to be paid. The report shall be
5 given to each member of the house and senate appropriations
6 subcommittees on agriculture and to the senate and house fiscal
7 agencies and the state budget director.

8 **EXECUTIVE**

9 Sec. 302. The department may receive and expend revenue and use
10 that revenue to cover necessary expenses related to publications,
11 audit and licensing functions, livestock sales, certification of
12 nursery stock, bean inspection services, and laboratory analyses as
13 specified in the following:

14 (a) Management services publications.

15 (b) Management services audit and licensing functions.

16 (c) Pesticide and plant pest management propagation and
17 certification of virus free foundation stock.

18 (d) Pesticide and plant pest management bean inspection and
19 grading services.

20 (e) Laboratory support testing for testing horses in draft
21 horse pulling contests at county fairs when local jurisdictions
22 request state assistance.

23 (f) Laboratory support analyses to determine foreign substances
24 in horses engaged in racing or pulling contests at tracks.

25 (g) Laboratory support analysis of food, livestock, and
26 agricultural products for disease, foreign products for disease,
27 toxic materials, foreign substances, and quality standards.

1 (h) Laboratory support test samples for other agencies and
2 organizations.

3 (i) Fruit and vegetable inspection at shipping and termination
4 points and processing plants.

5 **FOOD AND DAIRY**

6 Sec. 401. The department shall monitor restaurant inspection
7 and licensing functions carried out by local health departments to
8 ensure uniform application and enforcement of minimum program
9 requirements.

10 **ANIMAL INDUSTRY**

11 Sec. 450. From the funds appropriated in section 105 for the
12 bovine tuberculosis program, the department shall reimburse the
13 department of natural resources for those costs associated with
14 monitoring and testing wildlife for bovine tuberculosis that are
15 necessary to support the department goals and are jointly agreed to
16 by the department and the department of natural resources to be in
17 excess of efforts necessary to effectively plan and execute the
18 eradication of bovine tuberculosis from Michigan's wild free-
19 ranging deer herd.

20 Sec. 451. From the funds appropriated in section 105 for bovine
21 tuberculosis, the department shall pay for all whole herd testing
22 costs and individual animal testing costs in the modified
23 accredited zone to maintain split-state status requirements. These
24 costs include indemnity and compensation for injury causing death
25 or downer to animals.

26 **AGRICULTURE DEVELOPMENT**

27 Sec. 705. The appropriation in section 109 for the export

market development program shall be used to coordinate state participation in the federal market access program and to leverage federal funds for the purpose of developing new and enhancing existing export markets for Michigan agricultural products.

FAIRS AND EXPOSITIONS

Sec. 802. (1) The appropriation in section 110 for standardbred purses and supplements - licensed tracks is intended to provide state purse supplements for 4 standardbred races at state licensed pari-mutuel horse racing tracks. Of the purse supplements, \$266,600 is to be used for races comprised only of Michigan-bred horses segregated into a 4-year-old colt trot division, a 4-year-old filly trot division, a 4-year-old colt pace division, and a 4-year-old filly pace division.

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

Arabian and Appaloosa horse racing	\$	19,100
Quarter horse racing		57,400

Sec. 803. Included in the appropriation made in section 110 for the thoroughbred program is \$30,500.00 for the Michigan united thoroughbred breeders and owners association to conduct a thoroughbred yearling show. The Michigan united thoroughbred breeders and owners association shall submit to the department an itemized list of expenses showing that the expenses of the yearling show were paid.

Sec. 804. From the funds appropriated in section 110 for thoroughbred owners' awards, awards shall be distributed pursuant to section 20 of the horse racing law of 1995, 1995 PA 279, MCL

1 431.320.

2 Sec. 806. A county fair, district fair, 4-H fair, or state fair
3 receiving funds in section 110 to be used for prizes or awards, in
4 whole or in part, as a condition precedent to the receiving of the
5 funds for those purposes, shall publish the rules relative to the
6 prizes, awards, and deadlines for entries eligible for the funds in
7 their official premium books or lists relative to the prizes or
8 awards. An aggrieved exhibitor may make a written complaint to the
9 fair within 10 days after the fair ends. If the fair has not
10 satisfactorily settled the grievance within 45 days after it is
11 submitted to the fair, the aggrieved person may file the complaint
12 with the department and the department shall investigate the
13 complaint and make a finding of fact regarding the complaint and
14 take appropriate action regarding the complaint.

15 Sec. 807. Of the amount appropriated in section 110 for purses
16 and supplements - fairs/licensed tracks, a sufficient amount is
17 appropriated to provide for overnight purse supplements pursuant to
18 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

19 Sec. 808. Of the amount appropriated in section 110 for
20 premiums - county and state fairs, \$91,400.00 shall be expended to
21 reimburse up to 75% premiums paid to large livestock and equine
22 exhibitors in show or exhibitions held by statewide associations as
23 defined by the department. Livestock expositions shall be limited
24 to participation in this program and prohibited from participation
25 in any state funded premium programs. The Michigan horse show
26 association fall youth show shall be included.

27 Sec. 809. From the appropriations for premiums - county and

1 state fairs in section 110, \$40,000.00 shall be awarded through a
2 competitive grant program to local, regional, or state fairs or
3 youth education programs to promote youth involvement and adult
4 exhibitions in the animal agriculture industry.

5 Sec. 811. The funds appropriated in section 110 for
6 distribution of outstanding winning tickets are not available for
7 expenditure until they are deposited in the Michigan agriculture
8 equine industry development fund pursuant to section 2 of 1951 PA
9 90, MCL 431.252. These funds shall be expended in accordance with
10 section 2 of 1951 PA 90, MCL 431.252. The department shall provide
11 notice to the house and senate appropriations subcommittees on
12 agriculture and to the state budget director at least 10 days
13 before the funds are expended. This notice shall include the
14 amount that each program receives from the outstanding winning
15 ticket revenue deposited in the Michigan agriculture equine
16 industry development fund.

17 **OFFICE OF RACING COMMISSIONER**

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