

# HOUSE BILL No. 5483

## EXECUTIVE BUDGET BILL

February 14, 1990, Introduced by Reps. Jacobetti and Harrison and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 1991; 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:

1       Sec. 101. There is appropriated for the department of agriculture for the  
2 fiscal year ending September 30, 1991, from the following funds:

3       GENERAL SECTIONS

4       DEPARTMENT OF AGRICULTURE

5       APPROPRIATIONS SUMMARY:

6       Full-time equated unclassified positions.....6.0

7       Full-time equated classified positions.....693.7

1	GROSS APPROPRIATION.....\$	62,649,200
2	TOTAL SPENDING.....\$	62,649,200
3	Total interdepartmental grants.....	615,400
4	ADJUSTED GROSS APPROPRIATION.....\$	62,033,800
5	Total federal revenues.....	1,494,800
6	Total private revenues.....	205,400
7	Total local revenues.....	0
8	Total other state restricted revenues.....	27,088,100
9	State general fund/general purpose.....\$	33,245,500
10	EXECUTIVE	
11	Full-time equated unclassified positions.....3.0	
12	Full-time equated classified positions.....52.0	
13	Director.....\$	83,100
14	Deputy directors.....	143,700
15	Affirmative action—2.0 FTE positions.....	203,900
16	Center for agricultural innovation and	
17	development—16.0 FTE positions.....	2,083,900
18	Commission, including travel (per diem	
19	each \$75).....	36,800
20	Emergency services—3.0 FTE positions.....	177,800
21	Executive direction—14.0 FTE positions.....	1,050,900
22	Family farm development and marketing	
23	and bargaining—2.0 FTE positions.....	127,000
24	Food and agricultural industry promotion.....	1,170,000
25	Marketing and bargaining board,	
26	including travel (per diem \$35.00).....	2,800

1	Regional clerical support—10.0 FTE positions.....	414,900
2	Soil conservation committee, including	
3	travel (per diem \$35.00).....	4,400
4	Statistical reporting service	
5	--5.0 FTE positions.....	552,300
6	Upper peninsula state fair board,	
7	including travel (per diem \$50.00).....	13,900
8	GROSS APPROPRIATION.....\$	6,065,400
9	Appropriated from:	
10	DAG-SRS, agricultural statistical	
11	reports.....	65,000
12	DAG-FNS.....	200,000
13	IDG from department of commerce.....	408,100
14	Foundation support.....	200,000
15	Industry support funds.....	226,600
16	Horse racing revenue.....	178,000
17	State general fund/general purpose.....\$	4,787,700
18	ADMINISTRATIVE SERVICES	
19	Full-time equated classified positions.....85.3	
20	Automated services—11.0 FTE positions.....\$	1,100,800
21	Financial services—53.0 FTE positions.....	3,414,200
22	Press and public affairs—10.8 FTE positions.....	703,100
23	Personnel—9.0 FTE positions.....	451,900
24	Policy planning and evaluation	
25	--1.5 FTE positions.....	112,800
26	GROSS APPROPRIATION.....\$	5,782,800

1	Appropriated from:	
2	Farm produce license and audit fees.....\$	61,500
3	Registration fees.....	22,000
4	Upper peninsula state fair revenue.....	517,300
5	Horse racing revenues.....	923,600
6	State general fund/general purpose.....\$	4,258,400
7	DEPARTMENTAL OPERATIONS SUPPORT	
8	Worker's compensation.....\$	35,000
9	Equipment.....	103,800
10	Rent.....	925,300
11	Special maintenance.....	25,600
12	College work-study.....	5,400
13	Terminal leave.....	502,300
14	GROSS APPROPRIATION.....\$	1,597,400
15	Appropriated from:	
16	Private-college work study.....	5,400
17	Fruits and vegetable inspection fees.....	4,700
18	Horse racing revenues.....	65,100
19	State general fund/general purpose.....\$	1,522,200
20	PESTICIDE AND PLANT PEST MANAGEMENT	
21	Full-time equated classified positions.....117.6	
22	Administration--8.0 FTE positions.....\$	454,500
23	Apiary inspection program--3.0 FTE positions.....	119,100
24	Agricultural products quality assurance	
25	--18.9 FTE positions.....	989,900
26	Plant pest control--29.1 FTE positions.....	1,605,600

1	Michigan ornamental plant council	
2	--1.0 FTE positions.....\$	359,300
3	Gypsy moth program--6.3 FTE positions.....	986,300
4	Pesticide certification and enforcement	
5	--51.3 FTE positions.....	2,464,500
6	GROSS APPROPRIATION.....\$	6,979,200
7	Appropriated from:	
8	HHS-FDA.....	15,000
9	EPA-OE, pesticides enforcement program	
10	grants.....	410,000
11	DAG-FS, multiple grants.....	500,000
12	Licensing and inspection fees.....	1,563,700
13	Apiary fees.....	45,900
14	Horse race revenue.....	108,000
15	State general fund/general purpose.....\$	4,336,600
16	ANIMAL INDUSTRY	
17	Full-time equated classified positions.....36.0	
18	Administration--6.0 FTE positions.....\$	336,100
19	Animal health and welfare--30.0 FTE positions.....	1,609,800
20	GROSS APPROPRIATION.....\$	1,945,900
21	Appropriated from:	
22	DAG-VS pseudorabies.....	130,000
23	Licensing and inspection fees.....	396,600
24	Horse race revenue.....	246,200
25	State general fund/general purpose.....\$	1,173,100
26	DAIRY PRODUCTS	

1	Full-time equated classified positions.....	51.0	
2	Administration—6.0 FTE positions.....	\$	293,900
3	Dairy products quality assurance		
4	—45.0 FTE positions.....		2,484,700
5	GROSS APPROPRIATION.....	\$	2,778,600
6	Appropriated from:		
7	Licensing and inspection fees.....		64,400
8	Horse racing revenue.....		98,700
9	State general fund/general purpose.....	\$	2,615,500
10	FOOD AND CONSUMER PROTECTION		
11	Full-time equated classified positions.....	158.3	
12	Administration—6.0 FTE positions.....	\$	326,500
13	Farm produce enforcement program		
14	—3.0 FTE positions.....		140,700
15	Food product quality assurance		
16	—76.0 FTE positions.....		3,637,700
17	Motor fuels quality program		
18	—8.0 FTE positions.....		491,800
19	Fruit and vegetable quality control		
20	—35.3 FTE positions.....		1,632,800
21	Weights and measures program		
22	—30.0 FTE positions.....		1,519,000
23	GROSS APPROPRIATION.....	\$	7,748,500
24	Appropriated from:		
25	HHS-FDA.....		70,000
26	DAG-AMS, cooperative agreement.....		15,800

1	Weights and measures regulation fees.....	\$ 81,900
2	Fruits and vegetable inspection fees.....	674,300
3	Bean inspection fees.....	51,500
4	Food handler license fees.....	1,128,100
5	Farm produce license and audit fees.....	40,700
6	Motor fuel quality license fees.....	429,400
7	State general fund/general purpose.....	\$ 5,256,800
8	LABORATORY SUPPORT	
9	Full-time equated classified positions.....	105.0
10	Administration—7.0 FTE positions.....	\$ 359,800
11	Equine drug testing—9.5 FTE positions.....	716,100
12	Laboratory support services	
13	--88.5 FTE positions.....	4,946,000
14	GROSS APPROPRIATION.....	\$ 6,021,900
15	Appropriated from:	
16	DAG-APHIS, plant and animal disease and	
17	pest control.....	29,000
18	IDG from commerce (LCC)—liquor quality	
19	testing fees.....	207,300
20	Testing fees.....	238,400
21	Horse racing revenues.....	716,100
22	Motor fuel quality license fees.....	761,400
23	State general fund/general purpose.....	\$ 4,069,700
24	ENVIRONMENTAL PROTECTION	
25	Full-time equated classified positions.....	26.0
26	Administration—2.0 FTE positions.....	124,600

1	Soil and water conservation		
2	—24.0 FTE positions.....	\$	1,434,600
3	GROSS APPROPRIATION.....	\$	1,559,200
4	Appropriated from:		
5	EPA-OWWM, water pollution control, lake		
6	restoration cooperative agreements.....		60,000
7	State general fund/general purpose.....	\$	1,499,200
8	OFFICE OF RACING COMMISSIONER		
9	Full-time equated unclassified positions.....	3.0	
10	Full-time equated classified positions.....	45.7	
11	Commissioner.....	\$	62,100
12	Deputy commissioners.....		81,100
13	Affirmative action—1.0 FTE positions.....		47,200
14	Licensing and regulation—44.7 FTE positions.....		3,191,300
15	Promotion.....		1,000,000
16	Discretionary reward fund.....		5,800
17	GROSS APPROPRIATION.....	\$	4,387,500
18	Appropriated from:		
19	Horse racing revenues.....		4,387,500
20	State general fund/general purpose.....	\$	0
21	WORLD TRADE SERVICES		
22	Full-time equated classified positions.....	16.8	
23	African trade development program.....	\$	102,000
24	International trade—9.8 FTE positions.....		1,505,600
25	MEDA - export development finance and		
26	operations—7.0 FTE positions.....		801,200

1	GROSS APPROPRIATION.....\$	2,408,800
2	Appropriated from:	
3	Industry support funds.....	375,700
4	State general fund/general purpose.....\$	2,033,100
5	GRANTS	
6	Appaloosa program.....\$	5,000
7	Arabian program.....	5,000
8	Thoroughbred sire stakes program.....	500,000
9	Building and track improvement - county	
10	and state fairs.....	478,200
11	Fedele Fauri futurity.....	80,000
12	4-H animal science exposition.....	12,100
13	Grant to cities with racetracks.....	3,052,500
14	Grants to future farmers of America.....	14,500
15	Great Lakes draft horse show.....	95,000
16	Grants to local soil conservation	
17	districts/clean water incentive program.....	1,172,600
18	Grant to local soil conservation	
19	district/food safety.....	409,000
20	Michigan futurity.....	80,000
21	Michigan olympic equestrian training	
22	program.....	30,000
23	Northwest Michigan horticultural	
24	research station.....	48,400
25	City of Pontiac.....	800,000
26	Premiums.....	1,306,200

1	Purses and supplements - fairs.....\$	3,713,700
2	Purses and supplements - licensed tracks.....	400,000
3	Quarter horse program.....	15,000
4	Sire stakes program.....	1,000,000
5	Soil survey program.....	48,700
6	Thoroughbred program.....	1,811,200
7	Training and stabling.....	56,900
8	Thoroughbred training and stabling.....	90,000
9	Water wonderland breeder awards.....	150,000
10	GROSS APPROPRIATION.....\$	15,374,000

11       Appropriated from:

12	Horse racing revenues.....	13,680,800
13	State general fund/general purpose.....\$	1,693,200

14       Sec. 201. (1) In accordance with the provisions of section 30 of article  
 15 IX of the state constitution of 1963, total state spending in this  
 16 appropriation act is \$60,332,500 and state appropriations to be paid to local  
 17 units of government in section 101 are as follows:

18   DEPARTMENT OF AGRICULTURE

19	Grants to soil conservation districts..... \$	1,581,600
20	Grants to cities with racetracks.....	3,052,500
21	City of Pontiac.....	800,000
22	TOTAL..... \$	5,434,100

23       (2) When it appears to the principal executive officer of each department  
 24 that state spending to local units of government will be less than the amount  
 25 that was projected to be expended for any quarter, the principal executive  
 26 officer shall immediately give notice of the approximate shortfall to the

1 department of management and budget, the senate and house appropriations  
2 committees, and the senate and house fiscal agencies.

3 Sec. 202. The appropriations made and the expenditures authorized under  
4 this act and the departments, agencies, commissions, boards, offices, and  
5 programs for which an appropriation is made under this act are subject to the  
6 management and budget act, Act No. 431 of the Public Acts of 1984, being  
7 sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

8 Sec. 203. As used in this act:

9 (a) "Department" means the department of agriculture.

10 (b) "Director" means the director of the department.

11 (c) "DAG-AMS" means the United States department of  
12 agriculture-agriculture marketing service.

13 (d) "DAG-APHIS" means the United States department of agriculture-animal  
14 plant health inspection service.

15 (e) "DAG-FNS" means the United States department of agriculture-food and  
16 nutrition service.

17 (f) "DAG-FS" means the United States department of agriculture-forest  
18 service.

19 (g) "DAG-SRS" means the United States department of  
20 agriculture-statistical reporting service.

21 (h) "DAG-VS" means the United States department of agriculture-veterinary  
22 science.

23 (i) "EPA-OE" means the United States environmental protection  
24 agency-office of enforcement.

25 (j) "EPA-OWWM" means the United States environmental protection  
26 agency-office of water and waste management.

1 (k) "FTE" means full-time equated.

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

4 (m) "IDG" means interdepartmental grant.

5 (n) "IDT" means intradepartmental transfer.

6 (o) "MEDA" means Michigan export development authority.

7 Sec. 204. The department may receive and expend funds in addition to  
8 those authorized in section 101 for conducting training and orientation  
9 workshops and seminars that are consistent with the programmatic mission of the  
10 individual unit sponsoring or coordinating the program. Not later than January  
11 2, 1991, the department shall provide the senate and house appropriations  
12 subcommittees and the senate and house fiscal agencies with a report indicating  
13 the program, number of participants, costs incurred, and income received for  
14 the previous fiscal year.

15 Sec. 205. (1) The unexpended and unobligated balance of any state  
16 restricted fund or account remaining at the end of the fiscal year shall revert  
17 back to the state restricted fund or account from which appropriated and be  
18 available for reappropriation for the next fiscal year. Appropriations which  
19 revert to a state restricted fund or account pursuant to this section shall not  
20 revert to the general fund of the state.

21 (2) A state restricted revenue fund or account which receives revenues in  
22 excess of appropriations made from that state restricted revenue fund or  
23 account shall not have the excess revenue revert to the general fund of the  
24 state.

25 (3) This section does not apply to horse racing revenue.

26 Sec. 206. Of the funds appropriated in section 101 which are in units

1 other than the grants unit, the department may provide grants to local  
 2 government agencies, institutions of higher education and nonprofit  
 3 organizations. The grants shall be used to support research or other related  
 4 activities for the purpose of enhancing the agricultural industries in this  
 5 state.

6       Sec. 207. Of the grants to local soil conservation districts/food safety  
 7 appropriated in section 101, the department may make grants to local soil  
 8 conservation districts for purposes of providing technical assistance and may  
 9 make grants to Michigan state university agricultural experiment stations and  
 10 cooperative extension service for purposes of providing education and  
 11 research. Not less than 25% of the total grants shall be given to Michigan  
 12 state university.

### 13 EXECUTIVE

14       Sec. 301. The appropriations in section 101 may be used for per diem  
 15 payments to members of boards, committees, and commissions for a full day's  
 16 board, committee, or commission work at which a quorum is present; for  
 17 attending a hearing as authorized by the respective board, committee, or  
 18 commission; or for performing official business as authorized by the respective  
 19 board, committee, or commission. The per diem payments shall be at a rate as  
 20 follows:

- 21       (a) Commission of agriculture..... \$ 75.00 per day
- 22       (b) Soil conservation committee..... \$ 35.00 per day
- 23       (c) Upper Peninsula state fair board..... \$ 50.00 per day
- 24       (d) Agricultural marketing and bargaining board..... \$ 35.00 per day

25       Sec. 302. If the director is required to lay off any department employees  
 26 to implement this act, the director shall be exempted from using a strict

1 application of continuous service credits in accordance with guidelines  
2 developed by the state personnel director and approved by the civil service  
3 commission in order to preserve affirmative action gains made in a program  
4 approved by the Michigan equal employment and business opportunity council.  
5 This is in accordance with civil service commission rule.

6       Sec. 303. (1) Of the amount appropriated in section 101 to the center for  
7 agricultural innovation and development, \$150,000.00 is for the PICK  
8 MICHIGAN-quality promotion program to be used to influence volume buyer and  
9 individual consumer choices in purchasing Michigan grown fresh fruits and  
10 vegetables as opposed to those grown out of the state. The department shall  
11 prepare a program primarily concerned with increasing the potential market  
12 share of these commodities by concentrating on enhancing the image of  
13 Michigan's product quality and value. The plan to implement this program shall  
14 be submitted by the department to the senate and house appropriations  
15 committees at least 30 days before the program is scheduled to start.

16       (2) From the amount appropriated in section 101 to the center for  
17 agricultural innovation and development, \$100,000.00 shall be allocated for the  
18 food bank council.

19       (3) From the amount appropriated in section 101 to the center for  
20 agricultural innovation and development, \$200,000.00 shall be allocated to the  
21 farm resources encouraging and supporting health program.

22       Sec. 304. To qualify for the funds appropriated in section 101 for the  
23 commodity promotion matching fund, an organization shall be one of the  
24 following:

25       (a) Organized under the agricultural commodities marketing act, Act No.  
26 232 of the Public Acts of 1965, being sections 290.651 to 290.674 of the  
04929'90

1 Michigan Compiled Laws.

2 (b) Subject to a state commission or council pursuant to statute.

3 (c) A recognized, statewide, grower-funded organization for the promotion  
4 or market development of a commodity if approved by the commission of  
5 agriculture.

6 Sec. 305. Within the appropriations in section 101 for the center for  
7 innovation and development, \$408,100.00 is for the grape and wine industry  
8 council, from which the department may provide grants for the purposes as  
9 described in section 16b of the Michigan liquor control act, Act No. 8 of the  
10 Public Acts of the Extra Session of 1933, being section 436.16b of the Michigan  
11 Compiled Laws. Before October 15, 1991, the department shall report the grants  
12 made pursuant to this section to the appropriations subcommittees of the senate  
13 and house of representatives and to the senate and house fiscal agencies. The  
14 report shall include to whom the grants were made, the amounts of the grants,  
15 and a brief description of the purpose of the grants.

16 Sec. 306. The department may charge fees for publications and to use  
17 those fees to cover necessary expenses.

18 Sec. 307. The department shall operate all inspection and regulatory  
19 programs at full strength as authorized by this act.

20 Sec. 308. (1) The department shall establish a system for assessing the  
21 goals and accomplishments of the center for innovation and development.

22 (2) The department shall report to the senate and house appropriations  
23 subcommittees on agriculture and the senate and house fiscal agencies the  
24 following relative to any grant made by the center for innovation and  
25 development:

26 (a) The criteria used to make the grant.

1 (b) The amount of the grant.

2 (c) The entity or person to whom the grant is made.

3 (d) The names of any entities who requested grants but were rejected.

4 (e) A brief description of the purpose of the grants.

5 Sec. 309. From the amount appropriated in section 101 for the center for  
6 innovation and development, \$25,000.00 shall be allocated for the Michigan beef  
7 expo.

8 Sec. 310. The department may combine the administration and financing of  
9 the family farm development program and the agricultural marketing and  
10 bargaining program.

#### 11 ADMINISTRATIVE SERVICES

12 Sec. 401. The department may collect revenues and fees for audit and  
13 licensing functions and may use these fees for necessary expenses.

14 Sec. 402. The department may collect fees to conduct livestock sales at  
15 the Upper Peninsula state fairgrounds and use the fees for necessary expenses  
16 related to the livestock sales.

#### 17 PESTICIDE AND PLANT PEST MANAGEMENT

18 Sec. 501. The department may charge a fee for propagating and certifying  
19 virus free foundation stock.

20 Sec. 502. The department shall develop a strategy with accompanying cost  
21 estimates for the purpose of the suppression of the gypsy moth infestation in  
22 this state. In the development of this strategy, the department shall form a  
23 committee consisting of representatives from the department and the departments  
24 of natural resources, public health, and commerce and from Michigan state  
25 university. The department shall consult with other states that are or have  
26 experienced similar gypsy moth infestations. The department shall report its

1 findings to the house and senate appropriations subcommittees on agriculture  
2 and to the department of management and budget by January 1, 1991.

3       Sec. 503. Of the funds appropriated in section 101, to the pesticide and  
4 plant pest management division, up to \$75,000.00 may be made available to the  
5 Michigan cooperative extension service for the purpose of training of  
6 applicators. Reimbursement shall be based on actual expenditures and revenue  
7 availability.

#### 8 FOOD AND CONSUMER PROTECTION

9       Sec. 601. The department may collect fees and fines and may use these  
10 funds to administer the gasoline inspection and testing program in accordance  
11 with the motor fuels quality act, Act No. 44 of the Public Acts of 1984, being  
12 sections 290.641 to 290.650 of the Michigan Compiled Laws.

13       Sec. 602. The department may provide bean inspection and grading services  
14 and use the revenues received from these services for necessary expenses.

15       Sec. 603. The department may use all the inspection fees collected from  
16 the inspection of fruits and vegetables at shipping and termination points and  
17 processing plants to pay necessary expenses related to the inspections.

#### 18 LABORATORY SUPPORT

19       Sec. 701. The amount appropriated in section 101 for equine drug testing  
20 includes sufficient funds to test horses entered in draft horse pulling  
21 contests at county fairs when local jurisdictions request state assistance.

22       Sec. 702. The department may make necessary analyses to determine whether  
23 or not stimulants or depressants were administered to horses engaged in racing  
24 or pulling contests at tracks. A fee shall be charged to reimburse the  
25 department for the costs of the tests.

26       Sec. 703. The department may levy and collect fees for the inspection,

1 testing, and identification of livestock for infectious or contagious diseases  
2 for noxious or toxic materials or for equine infectious anemia diagnostic tests.

3 Sec. 704. The department may conduct analyses of liming samples and  
4 charge a fee for the service.

5 Sec. 705. The department may make regulatory and service tests of feed  
6 and fertilizer samples and charge a fee sufficient to cover the costs of these  
7 tests.

8 Sec. 706. The department may test samples for other agencies and  
9 organizations and charge a fee for the services. The fees shall be used to  
10 cover necessary costs and shall be interaccounted.

11 OFFICE OF RACING COMMISSIONER

12 Sec. 801. The appropriation in section 101 for the discretionary reward  
13 fund in the racing supervision component shall be used by the racing  
14 commissioner to pay rewards of not more than \$5,800.00 to a person who provides  
15 information which results in the arrest and conviction on misdemeanor or a  
16 felony for a crime which involves the horse racing industry.

17 Sec. 802. Included in section 101 is an amount not to exceed  
18 \$1,000,000.00 for promotion of attendance at pari-mutuel horse racing. The  
19 state funds shall be matched before expenditure such that each \$1.00 of state  
20 funds is matched by \$2.00 of private industry funds. A race meeting licensee  
21 or an association of thoroughbred and harness racetracks or any horsemen's  
22 group may submit a plan and proposal to the racing commissioner for use of  
23 funds authorized to be expended for promotion of attendance at pari-mutuel  
24 horse racing. A plan shall be submitted by the commissioner before the funds  
25 may be expended. Each licensee or association of thoroughbred and harness  
26 racetracks or horsemen's group shall be eligible for promotional funds. All

1 unexpended funds shall lapse to the state general fund.

2       Sec. 803. The department shall report by January 1, 1991, to the senate  
3 and house appropriations committees the horse racing revenues generated by each  
4 breed of horse for which funds are appropriated in this act.

5       Sec. 804. (1) The appropriations made in section 101 from general  
6 fund/special purpose horse racing revenues is intended for full funding  
7 compliance with the racing law of 1980, Act No. 327 of the Public Acts of 1980,  
8 being sections 431.61 to 431.88 of the Michigan Compiled Laws.

9       (2) By May 1, 1991, the department, together with the office of the racing  
10 commissioner, shall report to the house and senate appropriation subcommittees  
11 on agriculture the status of the appropriations made in this act in complying  
12 with the funding requirements of the racing law of 1980.

### 13 WORLD TRADE SERVICES

14       Sec. 901. Of the funds appropriated in section 101 for international  
15 trade, \$175,000.00 and 1 FTE is for the department to expand services for  
16 promotion of trade development with the countries in Africa and the Caribbean.

### 17 GRANTS

18       Sec. 902. Of the \$95,000.00 appropriated in section 101 for the Great  
19 Lakes draft horse show, \$35,500.00 shall be made available for the Michigan  
20 dynamometers association, \$49,500.00 shall be made available for the Michigan  
21 draft horse breeders association, and \$10,000.00 shall be used for  
22 advertisement and promotion of an annual Great Lakes international draft horse  
23 show.

24       Sec. 902. Included in the appropriation made in section 101 for the  
25 thoroughbred program is \$40,000.00 for the Michigan united thoroughbred  
26 breeders and owners association to conduct a thoroughbred yearling show. The

1 Michigan united thoroughbred breeders and owners association shall submit to  
2 the department an itemized list of expenses showing that the expenses of the  
3 yearling show were paid.

4       Sec. 903. (1) Except as provided in subsection (2), the appropriation of  
5 \$400,000.00 in section 101 for purses and supplements licensed tracks is  
6 intended to provide state purse supplements for 4 races at state licensed  
7 pari-mutuel horse racing tracks. The purse supplements are to be used for  
8 races comprised only of Michigan bred horses segregated into a 4-year-old colt  
9 trot division, a 4-year-old filly trot division, a 4-year-old colt pace  
10 division, and a 4-year-old filly pace division.

11       (2) Of the \$400,000.00 appropriated in section 101 for purses and  
12 supplements licensed tracks, \$100,000.00 shall be allocated as follows:

13    Arabian and appaloosa horse racing.....	\$	25,000
14    Quarter horse racing.....		75,000

15       (3) The allocations made pursuant to this section shall be considered  
16 allocations for work projects and the unexpended balances shall be carried  
17 forward and shall not lapse until expended.

18       Sec. 904. Of the amount appropriated in section 101 for purses and  
19 supplements-fairs, a sufficient amount is appropriated to provide for overnight  
20 purse supplements at the maximum supplement of \$1,000.00 per overnight race.

21       Sec. 905. Of the amount appropriated in section 101 for premiums,  
22 \$12,000.00 shall be expended as a grant for the Michigan horse show  
23 association-fall youth show at the Michigan exposition and fairgrounds.

24       Sec. 906. A local unit of government which receives money from horse race  
25 revenues for having racetracks within their limits shall report the  
26 expenditures it incurred by having those racetracks within their limits for the

1 previous calendar year to the senate and house appropriations committees by  
2 March 31 of each year.

3       Sec. 907. The independent audits of local units of government, as  
4 required by the uniform budgeting and accounting act, Act No. 2 of the Public  
5 Acts of 1968, being sections 141.421 to 141.440a of the Michigan Compiled Laws,  
6 shall include an examination to determine the accuracy of reports submitted in  
7 compliance with section 1005 of this act. The reports shall be subject, at the  
8 authorization of the chairpersons of the senate and house appropriations  
9 committees, to the review of the auditor general.

10       Sec. 908. (1) The \$80,000.00 appropriated in section 101 for the Fedele  
11 Fauri futurity shall only be used by the department to award a grant to an  
12 Upper Peninsula county fair based upon competitive bidding.

13       (2) The \$80,000.00 appropriated in section 101 for the Michigan futurity  
14 shall only be used by the department to award a grant to a Lower Peninsula  
15 county fair based upon competitive bidding.

16       Sec. 909. Of the \$150,000.00 appropriated in section 101 for water  
17 wonderland breeder awards, not more than 2% of the amount appropriated may be  
18 used for administrative expenses required to manage the program, the remainder  
19 shall be expended for premiums, judges, ribbons and trophies, promotion, and to  
20 send state champions to national shows. Large breeds receiving over \$8,000.00  
21 may use up to 20% for a show held separate from county or state fairs.

22       Sec. 910. The grant in section 101 to the future farmers of America shall  
23 be used only to support authorized activities of the Michigan association of  
24 the future farmers of America for regional and state level activities that  
25 promote the development of technical agriculture and leadership skills. Final  
26 approval for distribution of funds shall be given by the state future farmers

1 of America advisor who shall be designated by the director of the department.

2       Sec. 911. A county fair, district fair, 4-H fair, or state fair receiving  
3 funds under this act to be used for prizes or awards, in whole or in part, as a  
4 condition precedent to the receiving of the funds for those purposes, shall  
5 publish the rules relative to the prizes, awards, and deadlines for entries  
6 eligible for the funds in their official premium books or lists relative to the  
7 prizes or awards. An aggrieved exhibitor may make a written complaint to the  
8 department and the department shall investigate the complaint and make a  
9 finding of fact regarding the complaint and take appropriate action regarding  
10 the complaint.

11       Sec. 912. The \$1,172,600.00 appropriated in section 101 for grants to  
12 local soil conservation districts shall be used for providing financial  
13 assistance to all soil conservation districts in order to permit the districts  
14 to engage in programs that conserve soil resources and prevent and control soil  
15 erosion. All grants to local soil conservation districts shall be allocated  
16 according to a formula approved by the commission of agriculture.

17       Sec. 913. An authority which receives money for stadium rental pursuant  
18 to this act shall be audited before January 1, 1990, by the legislative auditor  
19 general or an independent accounting firm approved by the legislative auditor  
20 general. A copy of the audit, which shall include a detailed itemization of  
21 all revenues and expenditures in a form approved by the legislative auditor  
22 general, shall be submitted to the legislature before January 1, 1990.

23       Sec. 914. The department may carry forward unexpended appropriated funds  
24 from the thoroughbred and standardbred sire stakes programs pursuant to section  
25 13(9) and (10) of the racing law of 1980, Act No. 327 of the Public Acts of  
26 1980, being section 431.73 of the Michigan Compiled Laws, for the purposes of

1 reimbursement of sire stakes purses for Michigan bred 2 and 3-year-old horse  
2 races held in the following fiscal year.