




Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bill 480 (as introduced 5-14-03)  
Sponsor: Senator Liz Brater  
Committee: Appropriations

Date Completed: 5-14-03

### **CONTENT**

**The bill would amend the Insect Pest and Plant Disease Act to increase the annual license fee for nurseries, plant growers and dealers, and nursery dealers. The bill also would create a new licensing category for persons growing less than one-quarter acre of nursery stock or using less than 200 square feet of greenhouse space, and require them to pay an annual license fee. The bill would create a Horticulture Fund and horticultural advisory committee.**

The bill would increase the annual license fee for a nurseries from \$50 to \$100, the annual license fee for plant growers and plant dealers from \$20 to \$100, and the annual license fee for nursery dealers from \$50 to \$100. Licenses expire annually on October 31. Under the Act, license fee revenue is collected by the Michigan Department of Agriculture and deposited in the General Fund.

The bill would create a new category of license for persons growing less than one-quarter acre of nursery stock or using less than 200 square feet of greenhouse space. The bill would require these individuals to pay an annual license fee of \$40. The license would expire on October 31.

The bill would create the Horticulture Fund to receive a portion of the license fee revenue. The Fund would be created in the State Treasury and would receive money or other assets from any sources. The State Treasurer would direct the investment of the Fund. Up to \$70,000 of the licensing fees generated annually would be deposited in the Fund. Any balance at the end of a fiscal year would remain in the Fund and not revert to the General Fund.

The Director of the Department would administer the Fund and spend money, upon appropriation, to provide for research projects, to develop and improve training programs, and to develop outreach materials for the purposes of safeguarding plants and plant products from unwanted pests. The Director would administer the Fund with consultation from the proposed horticultural advisory committee.

The bill would create a horticultural advisory committee. Members of the committee would be representatives of the horticulture industry and would be appointed by the Director.

MCL 286.209

### **FISCAL IMPACT**

The bill would increase State revenues by \$140,000 associated with the fee increases.

The Governor's proposed fiscal year (FY) 2003-04 budget for the Department included an additional \$140,000 in revenue associated with these fee increases. This revenue replaced an

equal amount of General Fund/General Purpose revenue appropriated to the Department's Pesticide and Plant Pest Management Program. The Senate concurred with the Governor's proposal and included this additional revenue in its version of the FY 2003-04 Michigan Department of Agriculture budget, Senate Bill 288 (S-1). Neither the Governor nor the Senate recommended an appropriation from the Horticulture Fund.

Fiscal Analyst: Craig Thiel