



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1169 (Substitute S-1 as reported)
Sponsor: Senator Sue Shink
Committee: Natural Resources and Agriculture

CONTENT

The bill would amend Part 362 (Agricultural Preservation Fund) of the Natural Resources and Environmental Protection Act to increase, from \$1.4 million to \$2.1 million, the amount that could be spent upon appropriation annually for administration costs and implementation of Part 362 and Part 361 (Farmland and Open Space Preservation). The bill also would require the State Treasurer to adjust the amount by the rate of the Detroit-Warren-Dearborn Consumer Price Index (CPI) for the 2025-2026 Fiscal Year and each following fiscal year.

MCL 324.36202

BRIEF RATIONALE

The Farmland Preservation Program allows farmers to preserve farmland and open space from development for non-agricultural use. According to testimony before the Senate Committee on Natural Resources and Agriculture, based on current and projected appropriations, increasing the administrative cost cap would allow the Department of Agriculture and Rural Development (MDARD) to request increased spending authorization during the budget process to provide the Program with funds to be used for outreach, education, and system upgrades, among other things. It has been suggested to increase the cap to allow MDARD to request additional funds.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The Fiscal Year 2024-25 appropriation for the Agriculture Preservation Fund for administrative costs is \$1.6 million. Should the allowable administrative cost cap be increased as under the bill, the appropriation would need to be increased to a total of \$2.1 million to allow for the full amount in the bill to be used for administrative costs. The bill would have no fiscal impact on the Department of Treasury.

Date Completed: 12-18-24

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