



Senate Fiscal Agency
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Senate Bill 1169 (as introduced 12-3-24)
Sponsor: Senator Sue Shink
Committee: Natural Resources and Agriculture

Date Completed: 12-9-24

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 2026 and each following year.

Generally, the Agricultural Preservation Fund provides grants to eligible local units of government to implement purchase development rights programs to preserve farmland. Among other things, up to \$1.4 million from the Fund may be spent annually upon appropriation for the administrative costs of the Michigan Department of Agriculture and Rural Development and the Preservation Fund Board in implementing Part 362 and Part 361. The bill would increase the maximum amount that could be spent from \$1.4 million to \$2.1 million.

Additionally, for 2026 and each following year, the State Treasurer would have to adjust the amount by the percentage by which the Detroit-Warren-Dearborn CPI for the preceding year exceeded or was less than the Detroit-Warren-Dearborn CPI for 2024. The State Treasurer would have to round the amount to the nearest multiple of \$1,000. By June 1, each year, the Department of Treasury would have to post the adjusted amount on its website.

MCL 324.36202

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.

Fiscal Analyst: Bruce R. Baker
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.