

# SENATE BILL No. 246

## EXECUTIVE BUDGET BILL

February 21, 2007, Introduced by Senators SCOTT and SCHAUER and referred to the Committee on Appropriations.

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2008; 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 agriculture for the fiscal year ending September 30, 2008, from

the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF AGRICULTURE**

**APPROPRIATION SUMMARY:**

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

Full-time equated classified positions..... 674.0

GROSS APPROPRIATION..... \$ 105,337,900

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 9,387,000

ADJUSTED GROSS APPROPRIATION..... \$ 95,950,900

Federal revenues:

Total federal revenues..... 21,861,600

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 186,000

Total other state restricted revenues..... 45,008,000

State general fund/general purpose..... \$ 28,895,300

**Sec. 102. EXECUTIVE**

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

Full-time equated classified positions..... 48.0

Commission and boards..... \$ 47,300

Unclassified positions..... 354,000

Executive direction--10.0 FTE positions..... 1,130,000

Management services--34.5 FTE positions..... 2,662,400

Agricultural statistics--1.0 FTE position..... 67,500

Emergency management--2.5 FTE positions..... 240,900

1	Human resources optimization user charges .....	<u>41,200</u>
2	GROSS APPROPRIATION.....	\$ 4,543,300
3	Appropriated from:	
4	Special revenue funds:	
5	Gasoline inspection and testing fund.....	58,200
6	Industry support funds.....	32,700
7	Nonretail liquor fees.....	8,800
8	Refined petroleum fund.....	233,800
9	State services fee fund.....	587,700
10	Upper Peninsula state fair revenue.....	9,000
11	State general fund/general purpose.....	\$ 3,613,100
12	<b>Sec. 103. DEPARTMENTWIDE</b>	
13	Rent and building occupancy charges.....	\$ 1,570,100
14	Federal Grants.....	<u>1,000,000</u>
15	GROSS APPROPRIATION.....	\$ 2,570,100
16	Appropriated from:	
17	Federal revenues:	
18	DAG, multiple grants.....	113,600
19	EPA, multiple grants.....	69,300
20	Federal Revenues.....	1,000,000
21	HHS-FDA.....	14,900
22	Special revenue funds:	
23	Agricultural preservation fund.....	23,900
24	Freshwater protection fund.....	10,800
25	Licensing and inspection fees.....	67,500
26	Nonretail liquor fees.....	9,000
27	Refined petroleum fund.....	114,000

1	State services fee fund.....	335,800
2	State general fund/general purpose.....	\$ 811,300
3	<b>Sec. 104. FOOD AND DAIRY</b>	
4	Full-time equated classified positions.....	107.0
5	Food safety and quality assurance--107.0 FTE positions	\$ 12,204,100
6	Local public health operations.....	<u>8,878,700</u>
7	GROSS APPROPRIATION.....	\$ 21,082,800
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.....	26,500
13	HHS-FDA.....	369,800
14	Special revenue funds:	
15	Civil penalties.....	71,700
16	Consumer and industry food safety education fund.....	255,600
17	Licensing and inspection fees.....	2,437,900
18	State general fund/general purpose.....	\$ 9,042,600
19	<b>Sec. 105. ANIMAL INDUSTRY</b>	
20	Full-time equated classified positions.....	46.0
21	Animal health and welfare--19.5 FTE positions.....	\$ 2,209,700
22	Bovine tuberculosis program--26.5 FTE positions.....	<u>5,474,600</u>
23	GROSS APPROPRIATION.....	\$ 7,684,300
24	Appropriated from:	
25	Federal revenues:	
26	DAG, multiple grants.....	1,121,400
27	HHS-FDA.....	72,100

1	Special revenue funds:	
2	Agriculture equine industry development fund.....	2,183,600
3	Licensing and inspection fees.....	106,900
4	State general fund/general purpose.....	\$ 4,200,300
5	<b>Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT</b>	
6	Full-time equated classified positions.....	228.8
7	Pesticide and plant pest management--116.8 FTE	
8	positions .....	\$ 13,373,600
9	Emerald ash borer control program--112.0 FTE positions	<u>10,161,600</u>
10	GROSS APPROPRIATION.....	\$ 23,535,200
11	Appropriated from:	
12	Federal revenues:	
13	DAG, multiple grants.....	12,416,300
14	EPA, multiple grants.....	1,470,000
15	HHS-FDA.....	67,200
16	Special revenue funds:	
17	Private - slow-the-spread foundation.....	145,800
18	Commodity inspection fees.....	932,300
19	Horticulture fund.....	78,500
20	Industry support funds.....	335,800
21	Licensing and inspection fees.....	3,379,700
22	State general fund/general purpose.....	\$ 4,709,600
23	<b>Sec. 107. ENVIRONMENTAL STEWARDSHIP</b>	
24	Full-time equated classified positions.....	40.0
25	Environmental stewardship--25.7 FTE positions .....	\$ 2,477,900
26	Groundwater and freshwater protection	
27	program--8.3 FTE positions .....	5,435,700

1	Farmland and open space preservation--6.0 FTE positions	962,600
2	Agriculture pollution prevention program.....	1,000,100
3	Migrant labor housing.....	175,100
4	Aquifer protection program.....	<u>50,000</u>
5	GROSS APPROPRIATION.....	\$ 10,101,400
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from MDEQ, aquifer protection and dispute	
9	resolution .....	50,000
10	IDG from MDEQ, biosolids.....	91,700
11	IDG from MDEQ, MAEAP.....	157,700
12	IDG from MDEQ, type II well survey.....	17,000
13	Federal revenues:	
14	DAG, multiple grants.....	1,000,000
15	United States department of labor.....	150,000
16	EPA, multiple grants.....	442,300
17	Corporation for national and community services .....	252,000
18	Special revenue funds:	
19	Agricultural preservation fund.....	875,900
20	Agriculture pollution prevention fund.....	100
21	Freshwater protection fund.....	5,057,700
22	Migratory labor housing fund.....	25,000
23	State general fund/general purpose.....	\$ 1,982,000
24	<b>Sec. 108. LABORATORY PROGRAM</b>	
25	Full-time equated classified positions.....	146.0
26	Laboratory services--60.5 FTE positions.....	\$ 6,165,300
27	USDA monitoring program--18.0 FTE positions .....	2,089,800

1	Consumer protection program--67.5 FTE positions .....	<u>5,047,100</u>
2	GROSS APPROPRIATION.....	\$ 13,302,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from MDLEG (LCC), liquor quality testing fees ....	189,100
6	Federal revenues:	
7	DAG, multiple grants.....	2,111,800
8	EPA, multiple grants.....	351,200
9	HHS-FDA.....	543,000
10	Special revenue funds:	
11	Gasoline inspection and testing fund.....	2,506,700
12	Refined petroleum fund.....	3,070,300
13	State services fee fund.....	519,700
14	Testing fees.....	434,500
15	Weights and measures regulation fees.....	663,300
16	State general fund/general purpose.....	\$ 2,912,600
17	<b>Sec. 109. AGRICULTURE DEVELOPMENT</b>	
18	Full-time equated classified positions..... 10.0	
19	Agriculture development--7.0 FTE positions.....	\$ 1,583,100
20	Grape and wine program--3.0 FTE positions.....	713,500
21	Export market development program.....	50,000
22	Michigan agricultural surplus system.....	<u>630,500</u>
23	GROSS APPROPRIATION.....	\$ 2,977,100
24	Appropriated from:	
25	Federal revenues:	
26	DAG, multiple grants.....	270,200
27	Special revenue funds:	

1	Private - commodity group.....	40,200
2	Industry support funds.....	307,000
3	Nonretail liquor fees.....	657,600
4	State services fee fund.....	350,700
5	State general fund/general purpose.....	\$ 1,351,400
6	<b>Sec. 110. FAIRS AND EXPOSITIONS</b>	
7	Full-time equated classified positions.....	16.5
8	Upper Peninsula state fair--7.0 FTE positions.....	\$ 1,364,100
9	Fairs, racing and producer security--9.5 FTE positions	1,116,200
10	Premiums - county and state fairs.....	1,614,000
11	Purses and supplements - fairs/licensed tracks.....	2,370,000
12	Licensed tracks - light horse racing.....	132,000
13	Standardbred breeders' awards.....	969,000
14	Standardbred purses and supplements - licensed tracks	1,789,300
15	Standardbred sire stakes.....	810,000
16	Thoroughbred sire stakes.....	830,000
17	Standardbred training and stabling.....	36,000
18	Thoroughbred program.....	2,400,000
19	Thoroughbred owners' awards.....	124,000
20	Distribution of outstanding winning tickets.....	<u>700,000</u>
21	GROSS APPROPRIATION.....	\$ 14,254,600
22	Appropriated from:	
23	Special revenue funds:	
24	Agriculture equine industry development fund.....	10,160,300
25	Industry support funds.....	10,700
26	Licensing and inspection fees.....	128,200
27	State services fee fund.....	2,591,300



1	Upper Peninsula state fair revenue .....	1,364,100
2	State general fund/general purpose .....	\$ 0
3	<b>Sec. 111. OFFICE OF RACING COMMISSIONER</b>	
4	Full-time equated classified positions.....	31.7
5	Office of racing commissioner--31.7 FTE positions ....	\$ <u>3,715,400</u>
6	GROSS APPROPRIATION.....	\$ 3,715,400
7	Appropriated from:	
8	Special revenue funds:	
9	State services fee fund.....	3,715,400
10	State general fund/general purpose .....	\$ 0
11	<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
12	Information technology services and projects .....	\$ <u>1,571,500</u>
13	GROSS APPROPRIATION.....	\$ 1,571,500
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from MDLEG (LCC), liquor quality testing fees ....	2,800
17	Special revenue funds:	
18	Agricultural preservation fund.....	200
19	Agriculture equine industry development fund.....	208,100
20	Gasoline inspection and testing fund.....	27,000
21	Freshwater protection fund.....	100
22	Nonretail liquor fees.....	500
23	State services fee fund.....	1,059,500
24	Upper Peninsula state fair revenue .....	900
25	State general fund/general purpose .....	\$ 272,400

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. (1) 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 2007-2008 is \$73,903,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$1,700,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

## DEPARTMENT OF AGRICULTURE

Groundwater and freshwater protection program .....	<u>1,700,000</u>
TOTAL .....	\$ 1,700,000

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) "USDA" means the United States department of agriculture.

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 shall  
27 report quarterly to the chairpersons of the senate and house of

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

4       Sec. 208. The department shall use the Internet to fulfill the  
5 reporting requirements of this bill. This requirement may include  
6 transmission of reports via electronic mail to the recipients  
7 identified for each reporting requirement, or it may include  
8 placement of reports on an Internet or Intranet site.

9       Sec. 209. Funds appropriated in part 1 shall not be used for  
10 the purchase of foreign goods or services, or both, if  
11 competitively priced and of comparable quality American goods or  
12 services, or both, are available. Preference should be given to  
13 goods or services, or both, manufactured or provided by Michigan  
14 businesses if they are competitively priced and of comparable  
15 quality.

16       Sec. 210. The director shall take all reasonable steps to  
17 ensure businesses in deprived and depressed communities compete for  
18 and perform contracts to provide services or supplies, or both. The  
19 director shall strongly encourage firms with which the department  
20 contracts to subcontract with certified businesses in depressed and  
21 deprived communities for services, supplies, or both.

22       Sec. 212. Of the funds appropriated in part 1, the department  
23 may provide for indemnity as provided for pursuant to the animal  
24 industry act, 1988 PA 466, MCL 287.701 to 287.745, not to exceed  
25 \$100,000.00 per order from any line item for the fiscal year ending  
26 September 30, 2008. Before the department provides for an  
27 indemnification under this section, the department shall report the

1 reason for the indemnification, the amount of the indemnification,  
2 and to whom the indemnification is to be paid. The report shall be  
3 given to each member of the house and senate appropriations  
4 subcommittees on agriculture and to the senate and house fiscal  
5 agencies and the state budget director.

6 Sec. 219. From the funds appropriated in part 1 for  
7 information technology, the department shall pay user fees to the  
8 department of information technology for technology-related  
9 services and projects. Such user fees shall be subject to  
10 provisions of an interagency agreement between the department and  
11 the department of information technology.

12 Sec. 220. Amounts appropriated in part 1 for information  
13 technology may be designated as work projects and carried forward  
14 to support technology projects under the direction of the  
15 department of information technology. Funds designated in this  
16 manner are not available for expenditure until approved as work  
17 projects under section 451a of the management and budget act, 1984  
18 PA 431, MCL 18.1451a.

19 Sec. 223. (1) Due to the current budgetary problems in this  
20 state, out-of-state travel shall be limited to situations in which  
21 1 or more of the following conditions apply:

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

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

27 (c) The travel is necessary to produce budgetary savings or to

1 increase state revenues, including protecting existing federal  
2 funds or securing additional federal funds.

3 (d) The travel is necessary to comply with federal  
4 requirements.

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

7 (f) The travel is financed entirely by federal or nonstate  
8 funds.

9 (2) If out-of-state travel is necessary but does not meet 1 or  
10 more of the conditions in subsection (1), the state budget director  
11 may grant an exception to allow the travel. Any exceptions granted  
12 by the state budget director shall be reported on a monthly basis  
13 to the senate and house of representatives standing committees on  
14 appropriations.

15 (3) Not later than January 1 of each year, each department  
16 shall prepare a travel report listing all travel by classified and  
17 unclassified employees outside this state in the immediately  
18 preceding fiscal year that was funded in whole or in part with  
19 funds appropriated in the department's budget. The report shall be  
20 submitted to the chairs and members of the senate and house of  
21 representatives standing committees on appropriations, the fiscal  
22 agencies, and the state budget director. The report shall include  
23 the following information:

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

26 (b) The destination of each travel occurrence.

27 (c) The dates of each travel occurrence.

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

3 (e) The transportation and related costs of each travel  
4 occurrence, including the proportion funded with state general  
5 fund/general purpose revenues, the proportion funded with state  
6 restricted revenues, the proportion funded with federal revenues,  
7 and the proportion funded with other revenues.

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

10 Sec. 228. (1) In addition to the funds appropriated in part 1,  
11 there is appropriated an amount not to exceed \$5,000,000.00 for  
12 federal contingency funds. These funds are not available for  
13 expenditure until they have been transferred to another line item  
14 in this bill under section 393(2) of the department of management  
15 and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

7 **EXECUTIVE**

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

13 (a) Management services publications.

14 (b) Management services audit and licensing functions.

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

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

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

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

25 (g) Laboratory support analyses of food, livestock, and  
26 agricultural products for disease, foreign products for disease,



1 toxic materials, foreign substances, and quality standards.

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

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

6 **FOOD AND DAIRY**

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

11 Sec. 404. From the funds appropriated in section 104 for food  
12 safety and quality assurance, not less than \$150,000.00 from the  
13 consumer and industry food safety education fund shall be expended  
14 for purposes required under the food act, 2000 PA 92, MCL 289.4117,  
15 including the statewide training and education to consumers on food  
16 safety and the training and education on food safety to food  
17 service establishment employees and department employees and agents  
18 who enforce section 4117 of the food act, 2000 PA 92, MCL 289.4117.

19 **ANIMAL INDUSTRY**

20 Sec. 450. From the funds appropriated in section 105 for the  
21 bovine tuberculosis program, the department shall reimburse the  
22 department of natural resources for those costs associated with  
23 monitoring and testing wildlife for bovine tuberculosis that are  
24 necessary to support the department goals and are jointly agreed to  
25 by the department and the department of natural resources to be in

1 excess of efforts necessary to effectively plan and execute the  
2 eradication of bovine tuberculosis from Michigan's wild free-  
3 ranging deer herd.

4       Sec. 451. From the funds appropriated in section 105 for  
5 bovine tuberculosis, the department shall pay for all whole herd  
6 testing costs and individual animal testing costs in the modified  
7 accredited zone to maintain split-state status requirements. These  
8 costs include indemnity and compensation for injury causing death  
9 or downer to animals.

#### 10    **AGRICULTURE DEVELOPMENT**

11       Sec. 702. In any given year when insufficient amounts of  
12 Michigan surplus products are offered to the food bank council and  
13 accepted for distribution, unused funds may be applied by the food  
14 bank council for the direct purchase of foods from Michigan  
15 growers, manufacturers, or wholesalers.

16       Sec. 710. The department may match external funding for  
17 domestic and international marketing programs for the purpose of  
18 developing new and enhancing existing export markets for Michigan  
19 agricultural products.

#### 20    **FAIRS AND EXPOSITIONS**

21       Sec. 802. From the amount appropriated in section 110 for  
22 purses and supplements - fairs/licensed tracks, \$220,000.00 is to  
23 be used for state purse supplements at state licensed pari-mutuel  
24 tracks for races comprised only of Michigan-bred horses segregated  
25 into a 4-year-old colt trot division, a 4-year-old filly trot

1 division, a 4-year-old colt pace division, and a 4-year-old filly  
2 pace division.

3 Sec. 803. Included in the appropriation made in section 110  
4 for the thoroughbred program is \$23,500.00 for the Michigan united  
5 thoroughbred breeders and owners association to conduct a  
6 thoroughbred yearling show. The Michigan united thoroughbred  
7 breeders and owners association shall submit to the department an  
8 itemized list of expenses showing that the expenses of the yearling  
9 show were paid.

10 Sec. 804. From the funds appropriated in section 110 for  
11 thoroughbred owners' awards, awards shall be distributed pursuant  
12 to section 20 of the horse racing law of 1995, 1995 PA 279, MCL  
13 431.320.

14 Sec. 806. A county fair, district fair, 4-H fair, or state  
15 fair receiving funds in section 110 to be used for prizes or  
16 awards, in whole or in part, as a condition precedent to the  
17 receiving of the funds for those purposes, shall publish the rules  
18 relative to the prizes, awards, and deadlines for entries eligible  
19 for the funds in their official premium books or lists relative to  
20 the prizes or awards. An aggrieved exhibitor may make a written  
21 complaint to the fair within 10 days after the fair ends. If the  
22 fair has not satisfactorily settled the grievance within 45 days  
23 after it is submitted to the fair, the aggrieved person may file  
24 the complaint with the department and the department shall  
25 investigate the complaint and make a finding of fact regarding the  
26 complaint and take appropriate action regarding the complaint.

27 Sec. 807. Of the amount appropriated in section 110 for purses

1 and supplements - fairs/licensed tracks, a sufficient amount is  
2 appropriated to provide for overnight purse supplements pursuant to  
3 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

4 Sec. 808. Of the amount appropriated in section 110 for  
5 premiums - county and state fairs, \$91,400.00 shall be expended to  
6 reimburse up to 75% premiums paid to large livestock and equine  
7 exhibitors in shows or exhibitions held by statewide associations  
8 as defined by the department. Livestock expositions shall be  
9 limited to participation in this program and prohibited from  
10 participation in any state-funded premium programs. The Michigan  
11 horse show association fall youth show shall be included.

12 Sec. 809. From the appropriations for premiums - county and  
13 state fairs in section 110, \$40,000.00 shall be awarded through a  
14 competitive grant program to local, regional, or state fairs or  
15 youth education programs to promote youth involvement and adult  
16 exhibitions in the animal agriculture industry.

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.