



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

SECRETARY OF SENATE  
ENROLLING CLERKS  
2009 OCT 14 P 4: 29

JENNIFER M. GRANHOLM  
GOVERNOR

JOHN D. CHERRY, JR.  
LT. GOVERNOR

October 14, 2009

Michigan State Senate  
State Capitol  
Lansing, Michigan 48909-7536

Ladies and Gentlemen:

Today I have signed Enrolled Senate Bill 237, which authorizes expenditures for the Department of Agriculture for the fiscal year ending September 30, 2010. I have, however, disapproved numerous items pursuant to Section 19 of Article V of the Michigan Constitution of 1963. The specific item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

I have exercised my item veto authority and disapproved the following items:

- Proposed appropriations included in Enrolled Senate Bill 237 for horse racing and the office of racing commissioner and related boilerplate sections. The bill would authorize the expenditure of casino gaming revenues to augment horse racing appropriations and subsidize horse racing in this state. As I have previously indicated, I believe that horse racing programs should be self-supporting. I would support restoration of funding for the horse racing grants and regulatory activities utilizing equine development funding or other funds generated by the horse racing industry.
- A proposed appropriation of \$236,900 for local conservation district programs and related boilerplate in Section 604, due to the fiscal uncertainties and continued revenue deficiencies.
- \$540,100 for the Michigan agricultural surplus system and related boilerplate in Section 702. This proposed funding authorization is duplicated, and in fact increased, in Senate Bill 248, the Fiscal Year 2010 budget for the Department of Human Services, as previously approved by the Senate and House of Representatives with immediate effect nearly two weeks ago. I intend to sign the appropriation for the agricultural surplus system in that budget when the Michigan Senate ends its delay and presents that bill.
- Section 712 of the bill, which would authorize a \$300,000 interdepartmental grant from the Department of Energy, Labor and Economic Growth (DELEG) for agriculture development and export market development, diverting

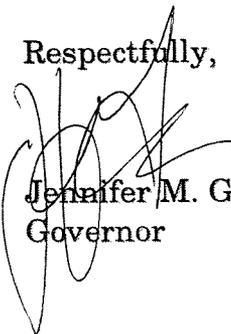
limited general funds from DELEG for proposed activities of a lower priority in the Michigan Department of Agriculture.

To provide direction regarding the implementation of this new appropriations act, I note the following:

- Section 304 purports to mandate that the Department of Agriculture maintain the motor fuel quality program and not reduce program level of effort below that of Fiscal Year 2006-2007. To the extent that the Legislature mandates this level of program activity but fails to authorize appropriations sufficient to support that level of program activity for an entire fiscal year, the mandate represents an indirect encroachment upon the separate powers of the executive branch contrary to the Separation of Powers Clause.
- To the extent that Sections 460 and 608 attempt to restrict the process for budgetary reductions in a manner inconsistent with the process for the reduction of expenditures under the Michigan Constitution of 1963, The Management and Budget Act, 1984 PA 431, MCL 18.1101 to 18.1594, and other applicable law, the sections at a minimum violate Const 1963, art 4, § 25, and are unenforceable.
- Sections 458, 551, 607, 609 and 711 of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

I thank the Michigan Senate for presenting this budget bill which, as enacted, will help protect the health and safety of Michigan residents, provide consumer protection, safeguard animal health, and promote agriculture, a vital component of Michigan's economy.

Respectfully,



Jennifer M. Granholm  
Governor

cc: Michigan House of Representatives  
The Honorable Terri Lynn Land