

FY 2021-22: AGRICULTURE AND RURAL DEVELOPMENT
Summary: As Reported by House Appropriations Committee
House Bill 4394 (H-3)



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	FY 2020-21 YTD as of 2/11/21	FY 2021-22 Executive	FY 2021-22 House	FY 2021-22 Senate	FY 2021-22 Conference	Difference: House From FY 2020-21 YTD	
						Amount	%
IDG/IDT	\$324,400	\$320,000	\$80,000	\$	\$	(\$244,400)	(75.3)
Federal	13,129,500	13,599,800	3,400,300			(9,729,200)	(74.1)
Local	0	0	0			0	--
Private	71,300	71,300	17,800			(53,500)	(75.0)
Restricted	44,153,000	44,377,300	11,051,300			(33,101,700)	(75.0)
GF/GP	63,616,800	57,883,900	14,672,900			(48,943,900)	(76.9)
Gross	\$121,295,000	\$116,252,300	\$29,222,300	\$	\$	(\$92,072,700)	(75.9)
FTEs	525.0	526.0	517.0			(8.0)	(1.5)

Notes: (1) FY 2020-21 year-to-date figures include mid-year budget adjustments through February 11, 2021. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

Michigan Department of Agriculture and Rural Development (MDARD) key programs and priorities include ensuring food safety and security, protecting animal health and welfare, managing invasive exotic species, regulating pesticide use, certifying agricultural commodities, ensuring environmental stewardship, consumer protection, and promoting the state's agricultural economy.

Major Budget Changes from FY 2020-21 YTD Appropriations	FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 House Change
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The House Subcommittee Recommendation appropriates one quarter of the anticipated annual appropriation. For major budget changes listed below the quartered appropriations are annualized for comparison purposes.

1. Unclassified Salaries

House eliminates funding for five of the six unclassified positions recognized in the current-year budget.

FTE	6.0	(5.0)
Gross	\$599,900	(\$444,500)
GF/GP	\$599,900	(\$444,500)

2. Information Technology

Executive provides ongoing funding for support and maintenance of licensing and inspection systems. House concurs.

Gross	\$2,068,200	\$254,900
IDG	3,200	0
Restricted	205,800	44,900
GF/GP	\$1,859,200	\$210,000

3. Michigan Animal Agriculture Alliance

Executive includes \$1.7 million GF/GP for a Michigan State University (MSU) animal agriculture research grant program, a \$1.3 million reduction from current year. House retains current-year funding level, \$3.0 million GF/GP.

Gross	\$3,000,000	\$0
GF/GP	\$3,000,000	\$0

4. Laboratory Services

Executive recognizes a \$600,000 federal Health and Human Services/Food and Drug Administration grant to support integrated food safety system. House concurs.

FTE	108.5	0.0
Gross	\$17,752,400	\$600,000
IDG	227,800	0
Federal	2,817,600	600,000
Restricted	7,389,900	0
GF/GP	\$7,317,100	\$0

5. Qualified Forest Program

House reduces baseline funding by \$491,500 GF/GP and reduces FTE authorization by 3.0 FTEs.

FTE	9.0	(3.0)
Gross	\$2,662,800	(\$491,500)
Restricted	1,080,100	0
GF/GP	\$1,582,700	(\$491,500)

Major Budget Changes from FY 2020-21 YTD Appropriations		FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 House Change
6. Office of Rural Development	FTE	0.0	0.0
<u>Executive</u> proposed using \$175,000 from the state restricted Rural Development Fund to support 1.0 FTE position, and related costs, in a new Office of Rural Development. The governor had also requested a supplemental appropriation to establish the new position in the current year. <u>House</u> does not include.	Gross	\$0	\$0
	Restricted	0	0
	GF/GP	\$0	\$0
7. County Fairs	Gross	\$500,000	\$491,500
<u>House</u> increases baseline funding for county fair grant program to \$991,500 GF/GP, a \$491,500 increase.	GF/GP	\$500,000	\$491,500
8. End of One-Time CREP Funding	Gross	\$4,400,000	(\$4,400,000)
<u>Executive</u> eliminated \$4.4 million GF/GP one-time appropriation for the Conservation Reserve Enhancement Program (CREP), a targeted environmental protection program. <u>House</u> concurs and does not include this one-time item in FY 2021-22 baseline.	GF/GP	\$4,400,000	(\$4,400,000)
9. Horse Racing Advisory Commission	Gross	\$0	\$100
<u>House</u> includes \$100 placeholder from the Agriculture Equine Industry Development Fund.	Restricted	0	100
	GF/GP	\$0	\$0
10. Economic Adjustments	Gross	NA	(\$415,700)
Reflects net decrease of \$415,700 Gross (\$289,900 GF/GP). Budgeted increases for salaries and wages (negotiated 2.0% increase on October 1, 2021 and 1.0% on April 1, 2022), and increases related to actuarially required retirement contributions, worker's compensation, and building occupancy charges, are offset by a reduction in calculated contributions for retiree medical benefits. <u>Executive</u> and <u>House</u> include.	IDG	NA	(1,200)
	Federal	NA	(27,900)
	Restricted	NA	(96,700)
	GF/GP	NA	(\$289,900)

Major Boilerplate Changes from FY 2020-21

Sec. 215. Communication with the Legislature – RETAINED

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. House retains.

Sec. 216. Report on FTE Positions and Remote Work – RETAINED

Executive deletes reporting requirement on staffing levels in relation to FTE authorization; employees authorized to work remotely; and related cost savings. House retains.

Sec. 217. Work Project Limits – RETAINED

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. House retains.

Sec. 218. State Administrative Board Transfers – RETAINED

Executive deletes section that provides for the legislature to intertransfer funds within departmental budget if the State Administrative Board transfers funds from an appropriation within this departmental budget. House retains.

Sec. 220. Impact of New Legislation – RETAINED

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. House retains.

Sec. 221. Severance Pay Report – NEW

House includes new reporting requirements related to severance pay paid to department personnel upon the termination of employment.

Sec. 222. Prohibition on Covid-19 Passport – NEW

House includes restrictions on the use of Covid-19 "passports" to document vaccination status.