



Background Briefing

AGRICULTURE AND RURAL DEVELOPMENT

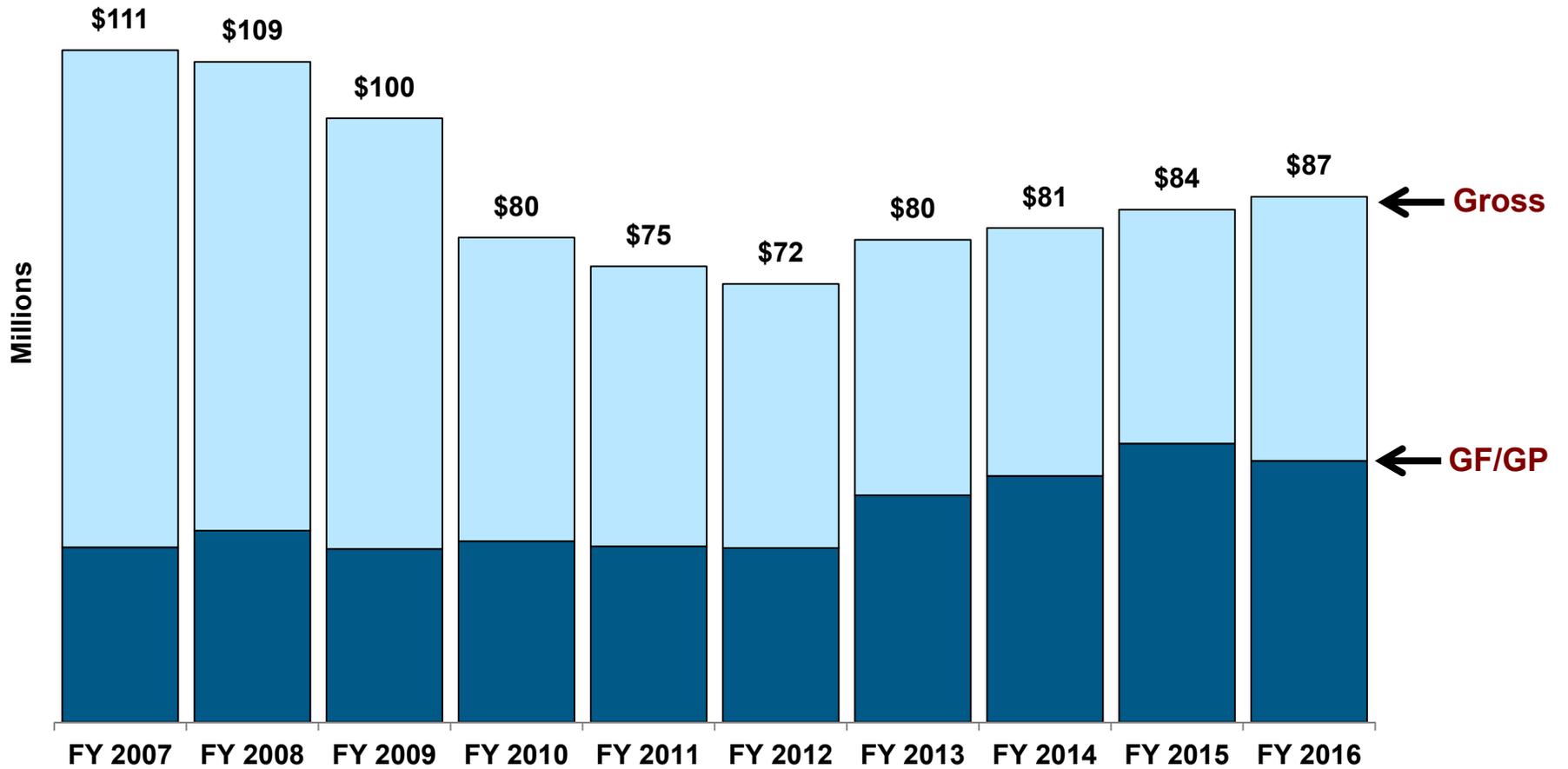
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December 2015

Department of Agriculture and Rural Development

- **Public Act 13 of 1921 established the Michigan Department of Agriculture to "foster and promote in every possible way the agricultural interests of this state..." Public Act 13 also established the five-member bi-partisan Commission of Agriculture.**
- **Executive Order 2011-2 renamed the department the Michigan Department of Agriculture and Rural Development (MDARD).**
- **The Department's mission is:** "Assure the food safety, agricultural, environmental, and economic interests of the people of the State of Michigan are met through service, partnership, and collaboration."
- **The Department's key programs and priorities are:**
 - Assure food safety
 - Protect animal and plant health
 - Sustain environmental stewardship
 - Provide consumer protection
 - Enable rural development
 - Foster efficient administrative operations

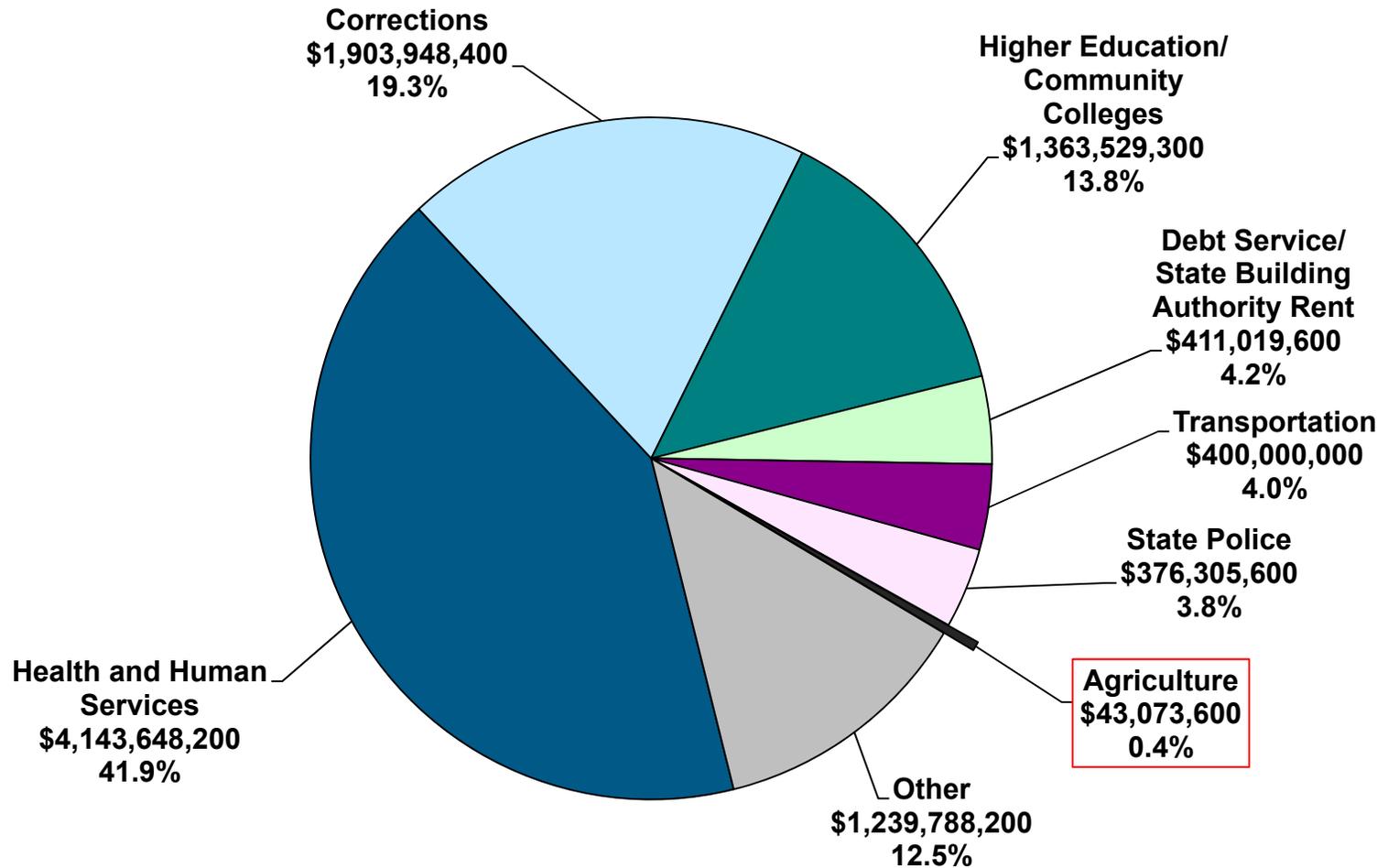
Agriculture Gross Appropriations



Agriculture Share of State GF/GP

The Agriculture budget represents less than 1% of the total state GF/GP budget

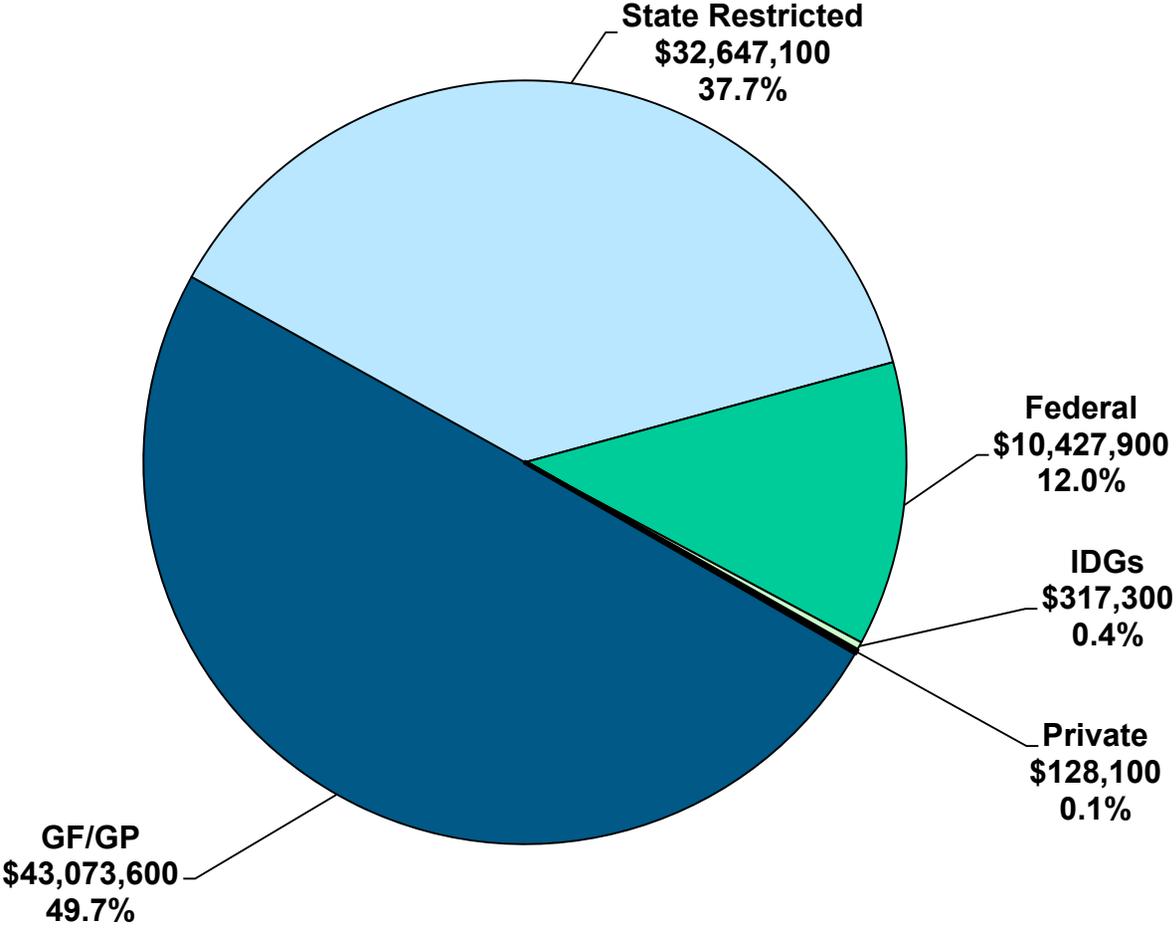
FY 2015-16 GF/GP Total = \$9,881,312,900



SOURCES OF FUNDING

Agriculture Funding Sources

FY 2015-16 Agriculture Budget = \$86,594,000



APPROPRIATIONS AREAS

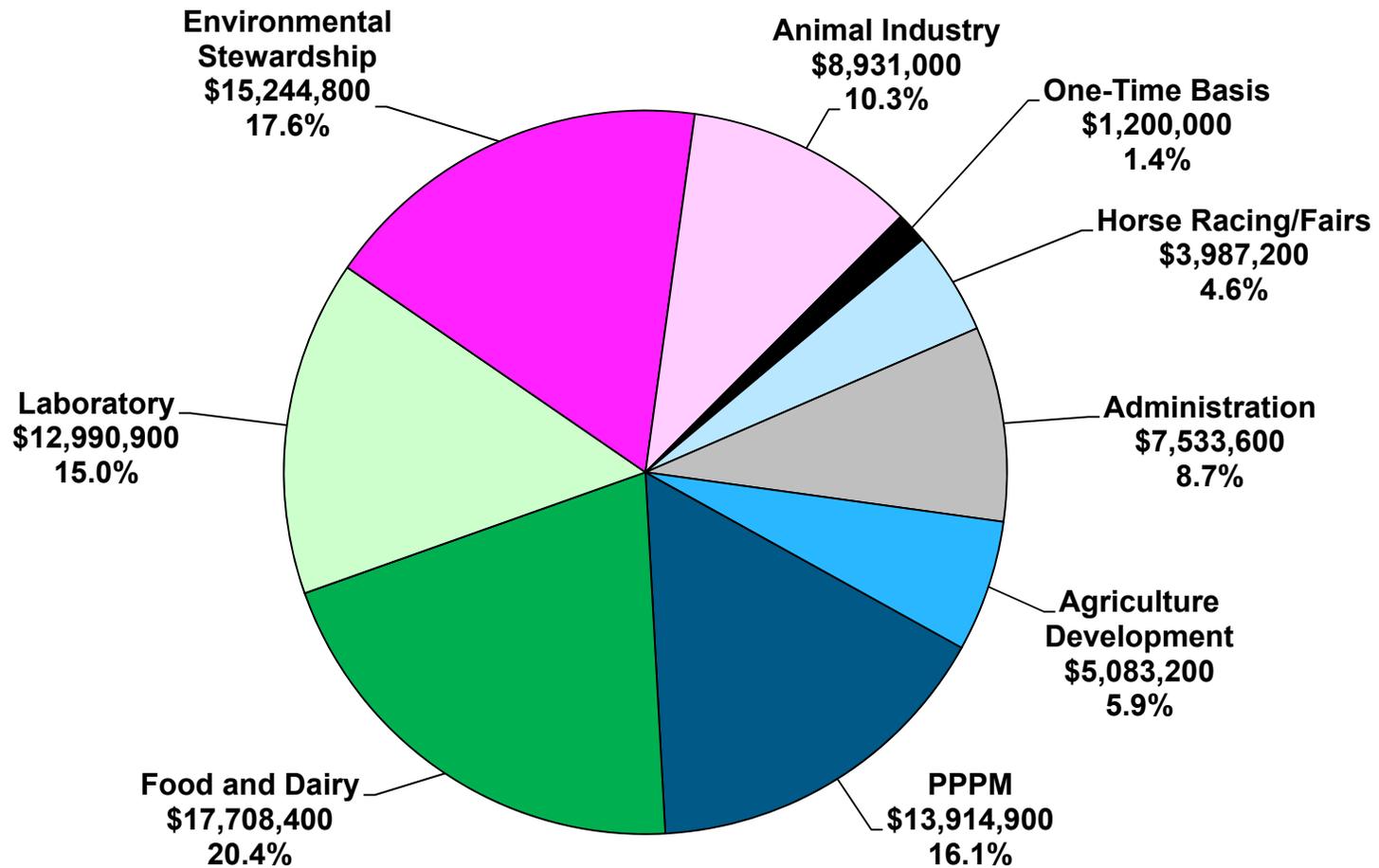
Agriculture Appropriations

The agriculture budget is appropriated for the following major program areas:

- Administration
- Food and Dairy
- Animal Industry
- Pesticide and Plant Management (PPPM)
- Environmental Stewardship
- Laboratory
- Market Development
- Horse Racing/Fairs

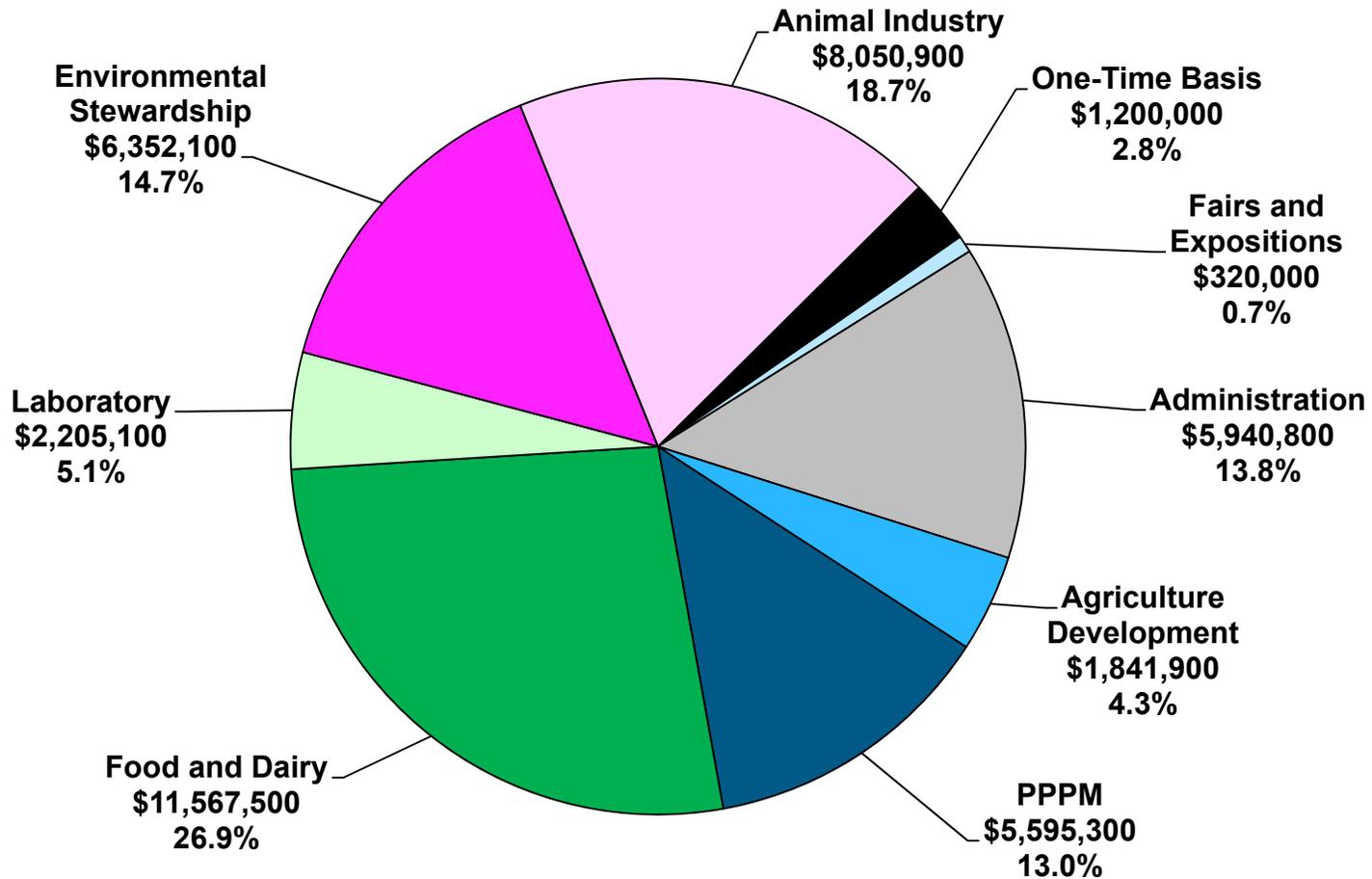
Agriculture Appropriations

FY 2015-16 Agriculture Budget = \$86,594,000



Agriculture GF/GP Appropriations

FY 2015-16 GF/GP = \$43,073,600



MAJOR BUDGET TOPICS

Executive/Administration

Executive/Administrative appropriations = \$7.5 million
8.7% of FY 2015-16 Agriculture Budget

- **Executive/Administrative** functions supported from the *Departmentwide* appropriations unit which includes funding for:
 - Commission of Agriculture and Rural Development
 - Michigan Department of Agriculture and Rural Development (MDARD) Executive Office
 - Emergency Management
 - Statistical Reporting Service
 - Other MDARD administrative functions

- Building rent and occupancy charges

- **Information Technology** appropriation supports information technology services and projects

Food and Dairy

**Food and Dairy appropriations = \$17.7 million
20.4% of FY 2015-16 Agriculture Budget**

- **Food and Dairy Division** administers a comprehensive program to protect public from food-borne illness, farm to table food regulation under the Food Law of 2000
- Protects against sale of adulterated food products, and fraud and deception in the sale of food products
- Regulates production and sale of dairy products under the Grade A Milk Law of 2001 and the Manufacturing Milk Law of 2001
- Oversees local public health food safety inspection programs – administered in conjunction with the Department of Community Health
- Food and Dairy supported 65% by GF/GP; 27% by restricted funds (fees), 7% federal. \$11.6 million GF/GP is largest use of GF/GP in the Agriculture budget

Animal Industry

**Animal Industry appropriations = \$8.9 million
10.3% of FY 2015-16 Agriculture Budget**

- **Animal Industry Division** programs protect public health and health of domestic animals under authority of the Animal Industry Act
- State Veterinarian has authority over livestock and poultry disease programs
- Division programs work to detect and eradicate animal disease, including Bovine TB, Chronic Wasting Disease, Rabies, Pseudorabies, and Eastern Equine Encephalitis
- Animal Industry supported 90% GF/GP; 3% restricted funds, 7% federal. \$8.1 million GF/GP is 2nd largest use of GF/GP in the Agriculture budget
- Bovine TB containment is the largest activity area within Animal Industry

Pesticide and Plant Pest Management (PPPM)

**PPPM appropriations = \$13.9 million
16.1% of FY 2015-16 Agriculture Budget**

- **PPPM Division** regulatory programs oversee pesticide registration, use, and application certification and testing
- Develops strategies to monitor and control pests that are harmful to the state's horticulture and timber industry, including Emerald Ash Borer and other invasive species
- Administers Grain Dealer/Producer Security programs
- PPPM supported 40% GF/GP; 46% restricted, 13% federal.
- \$5.6 million GF/GP is the 4th largest use of GF/GP in the Agriculture budget

Environmental Stewardship

**Environmental Stewardship appropriations = \$15.2 million
17.6% of FY 2015-16 Agriculture Budget**

- **Environmental Stewardship Division** supports programs to:
 - Prevent agriculture-related pollution
 - Preserve farmland
 - Promote environmentally sound farming practices
 - Enhance groundwater protection
- Administers Right-to-Farm Law
- Supports Michigan Agriculture Environmental Assurance Program (MAEAP)
- Supports Farmland and Open Space Preservation Program
- Administers Intercounty Drain Program
- Administers Migrant Labor Housing Program
- Environmental Stewardship supported 42% GF/GP; 47% restricted, 11% federal
- \$6.3 million GF/GP is the 3rd largest use of GF/GP in the Agriculture budget

Laboratory Program

Laboratory Program appropriations = \$13.0 million
15.0% of FY 2015-16 Agriculture Budget

- **The Department operates two laboratories:**

 - Geagley Laboratory in East Lansing
 - E. C. Heffron Metrology Laboratory in Williamston

- Department laboratories provides analytical, diagnostic, and technical services for other MDARD programs, as well as other state and federal agencies
- Supports Motor Fuel Quality testing
- Consumer protection program helps protects consumers from food-borne illnesses, toxic substances contamination, and economic deception
- Laboratory supported 17% GF/GP; 63% restricted, 18% federal
- \$2.2 million GF/GP is the 5th largest use of GF/GP in the Agriculture budget

Agriculture Development

**Agriculture Development appropriations = \$5.1 million
5.9% of FY 2015-16 Agriculture Budget**

- **Office of Agriculture Development** supports programs related to marketing and promoting Michigan food and agricultural products
- Office administers Rural development value-added grant program
- Supports Grape and Wine Industry programs
- Oversees 15 legislatively authorized commodity organizations
- Agriculture Development supported 36% GF/GP; 19% restricted, 45% federal
- \$1.8 million GF/GP is the 6th largest use of GF/GP in the Agriculture budget

Horse Racing/Fairs

Horse Racing/Fair appropriations = \$4.0 million
4.6% of FY 2015-16 Agriculture Budget

- **Fairs and Racing Unit**
 - Administers grants for horse racing at pari-mutuel tracks and county fairs

- **Shows and Expositions**
 - \$20,000 GF/GP competitive grant program

- **County Fair Capital Improvement**
 - \$300,000 GF/GP competitive grant program

- **Horse Racing Awards and Purse Supplements**
 - \$3.4 million from Agriculture Equine Industry Development Fund per the Horse Racing Law of 1995

One-Time Basis

**One-time GF/GP appropriations total \$1.2 million
1.4% of the Agriculture budget.**

- There are three one-time GF/GP funded grant programs authorized in the FY 2015-16 Agriculture and Rural Development budget.
- The specific line item appropriations are as follows:
 - \$550,000 for Rural Development Value-Added grants
 - \$500,000 for Tree Fruit Research
 - \$150,000 for equipment at the Geagley Laboratory

**For more information about the
Agriculture and Rural Development
budget, contact:**

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