



## **Background Briefing**

# **AGRICULTURE AND RURAL DEVELOPMENT**

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**December 2012**

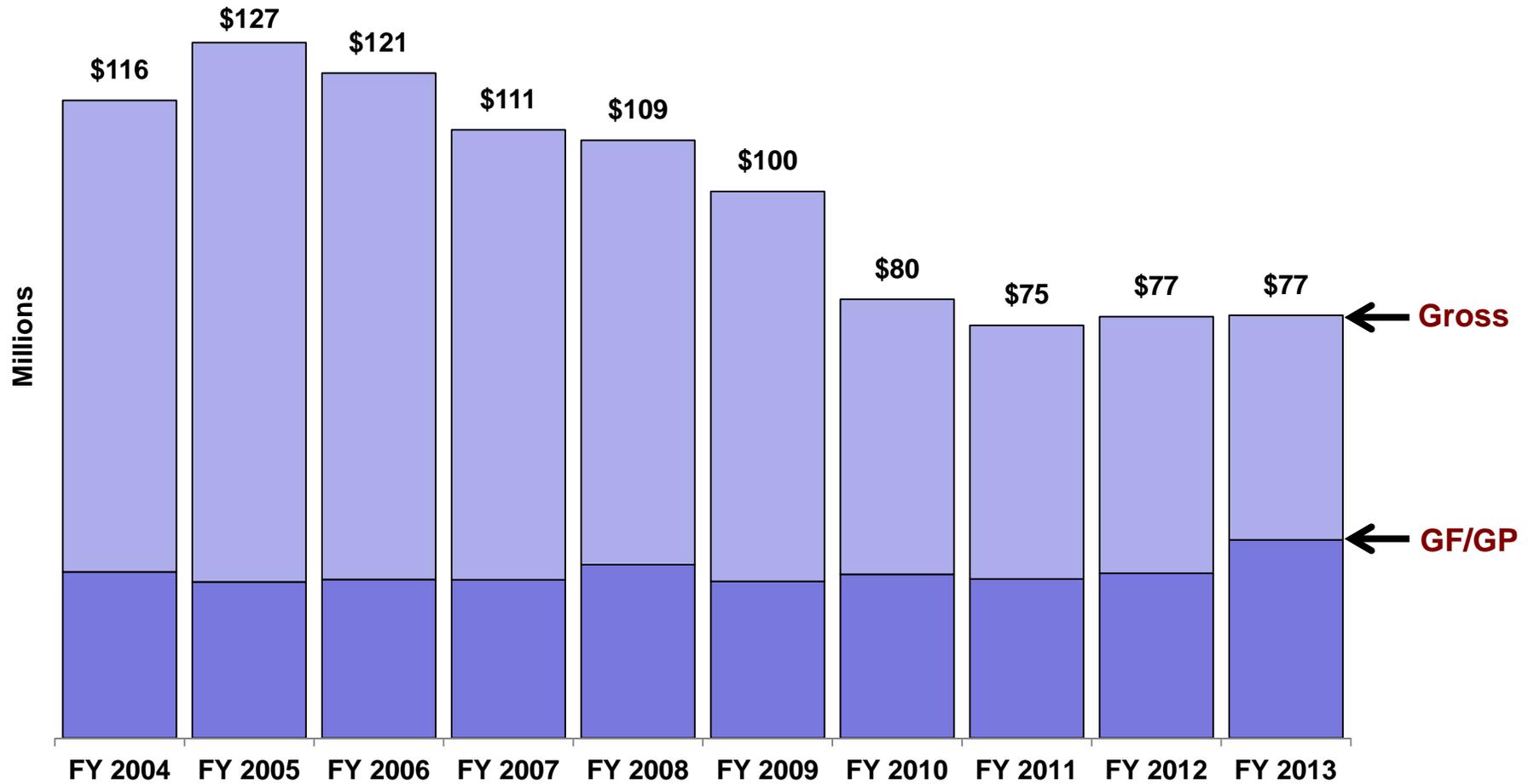
**The fiscal information in this background briefing is based on data through December 31, 2012.**

# 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: "To protect, promote, and preserve the agricultural interests of the people of the State of Michigan." The Department's 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, protecting consumers, promoting a viable agricultural economy, and providing homeland security.*

# Agriculture: Gross Appropriations

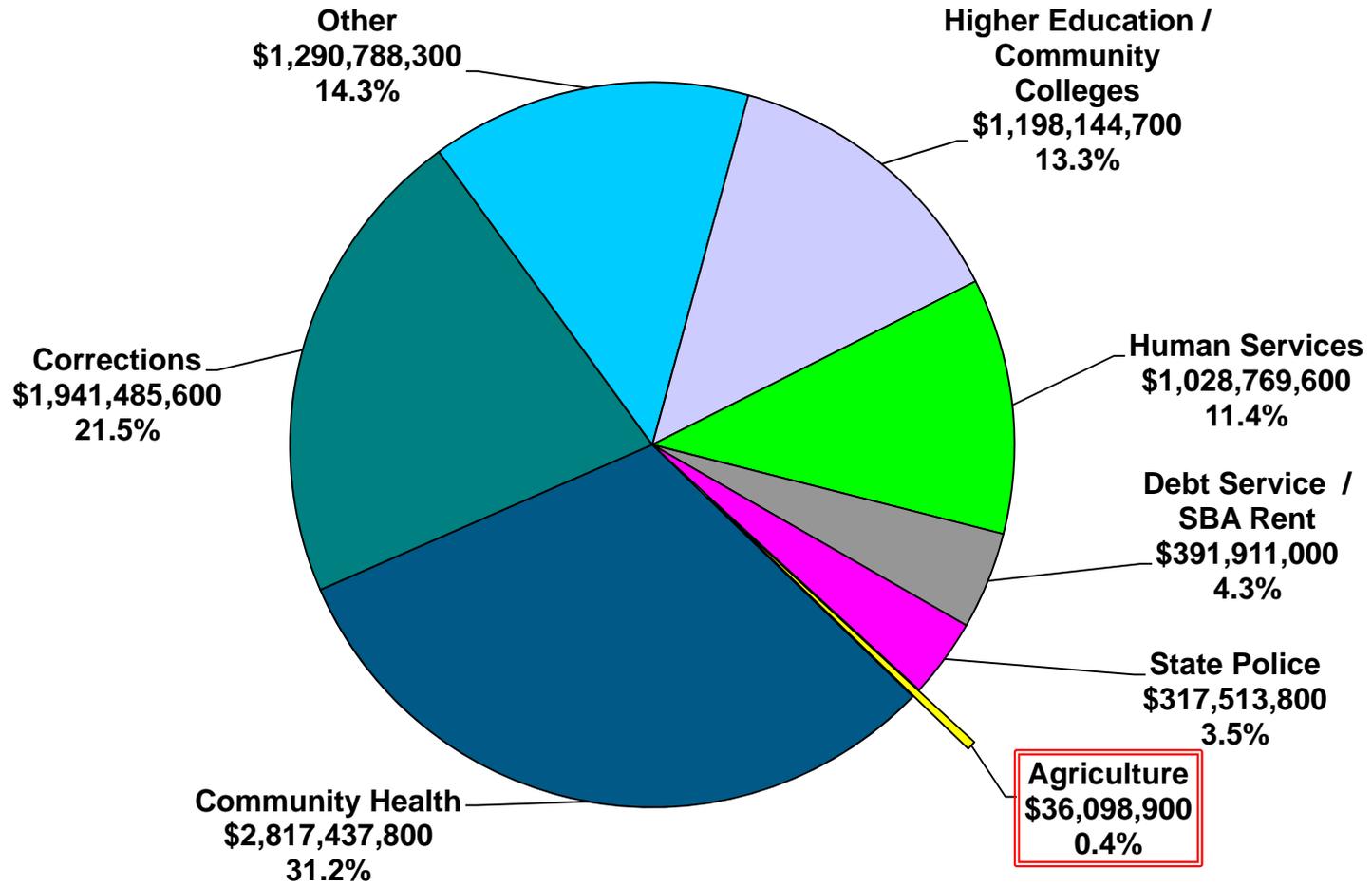
## Ten-Year Appropriations History



# Agriculture Share of State GF/GP

Agriculture makes up 0.4% of the total state GF/GP budget

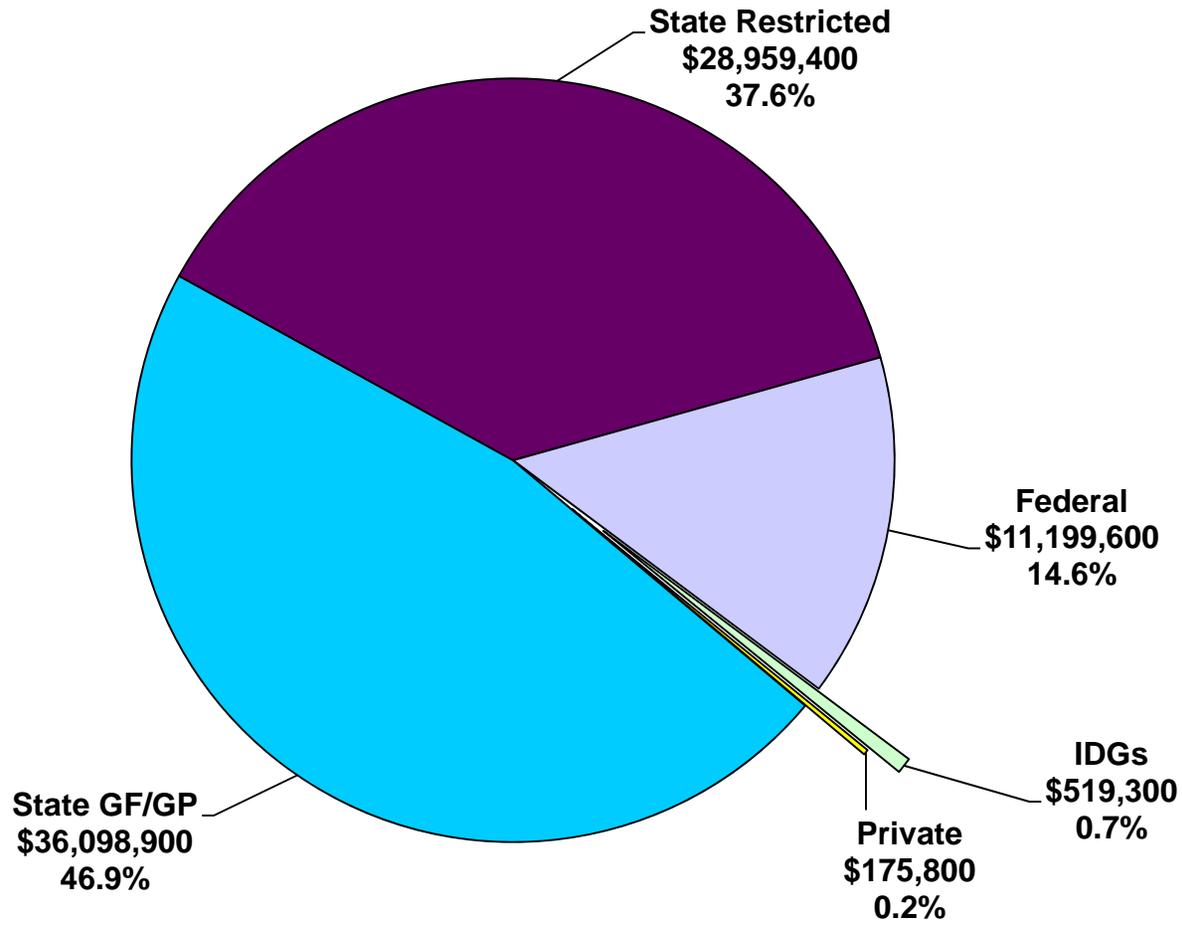
FY 2012-13 GF/GP Total = \$9,022,149,700



# **SOURCES OF FUNDING**

# Agriculture Funding Sources

FY 2012-13 Agriculture Budget = \$76,953,000



# **DEPARTMENT APPROPRIATIONS**

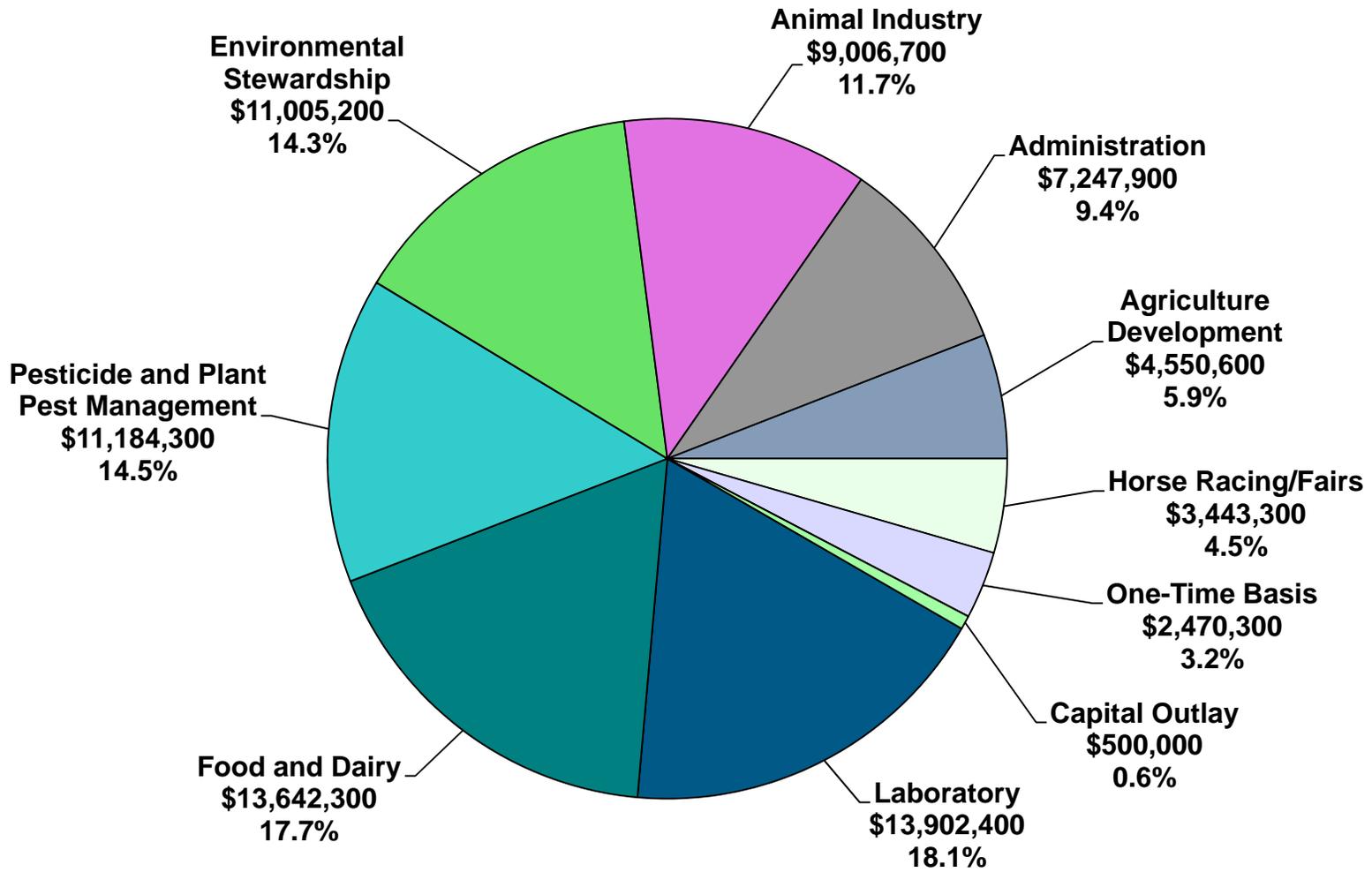
# Agriculture and Rural Development Appropriations

The agriculture budget is allocated into the following major spending areas:

- Administration (including Information & Technology)
- Food and Dairy
- Animal Industry
- Pesticide and Plant Pest Management (PPPM)
- Environmental Stewardship
- Laboratory
- Market Development
- Horse Racing/Fairs and Expositions
- Capital Outlay (Farmland Development Rights)
- One-Time Items

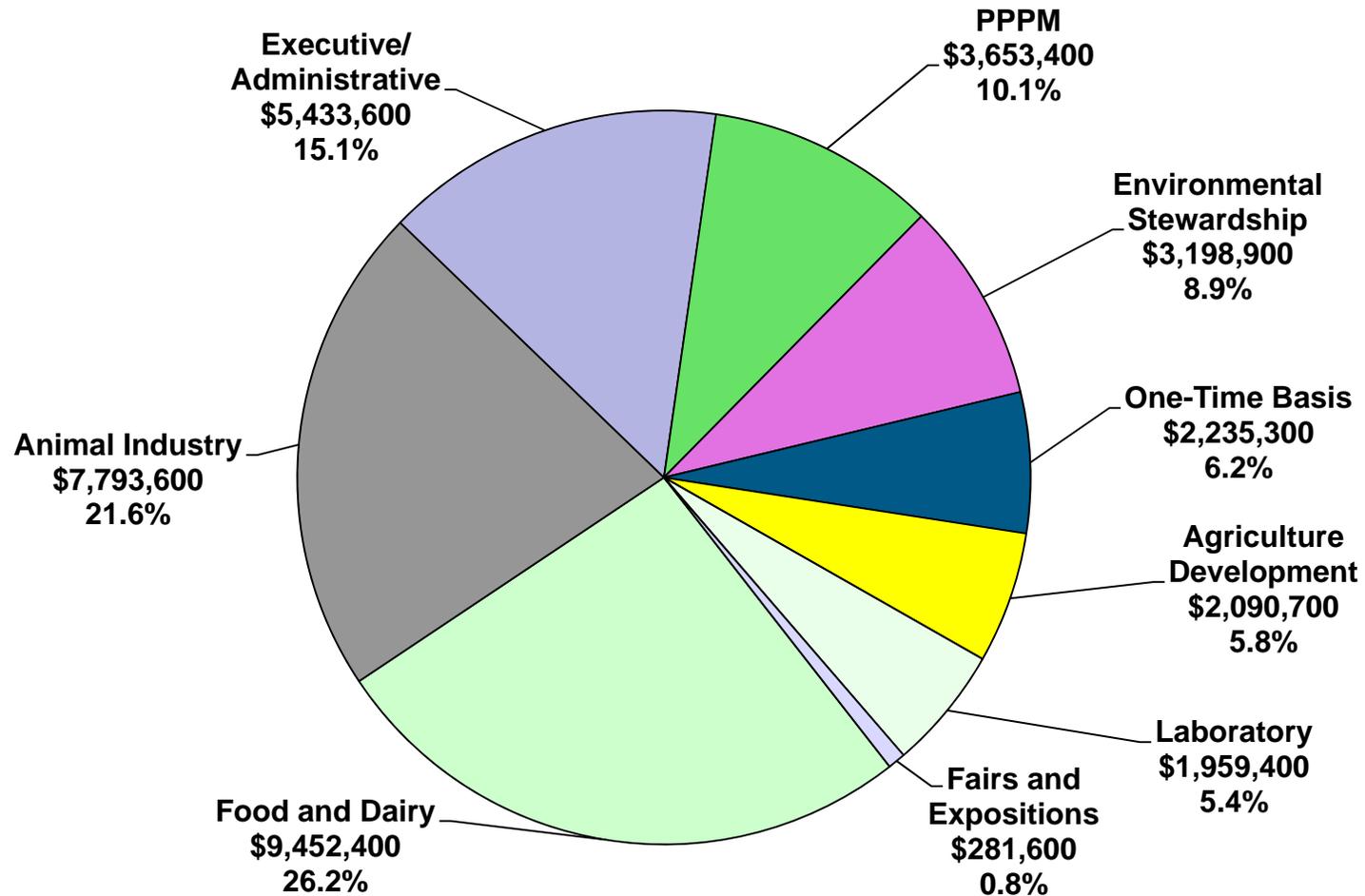
# Agriculture Gross Appropriations by Program

FY 2012-13 Agriculture Budget = \$76,953,000



# Agriculture GF/GP Appropriations by Program

FY 2012-13 Agriculture Budget  
[Total GF/GP = \$36,098,900]



# **PROGRAMS**

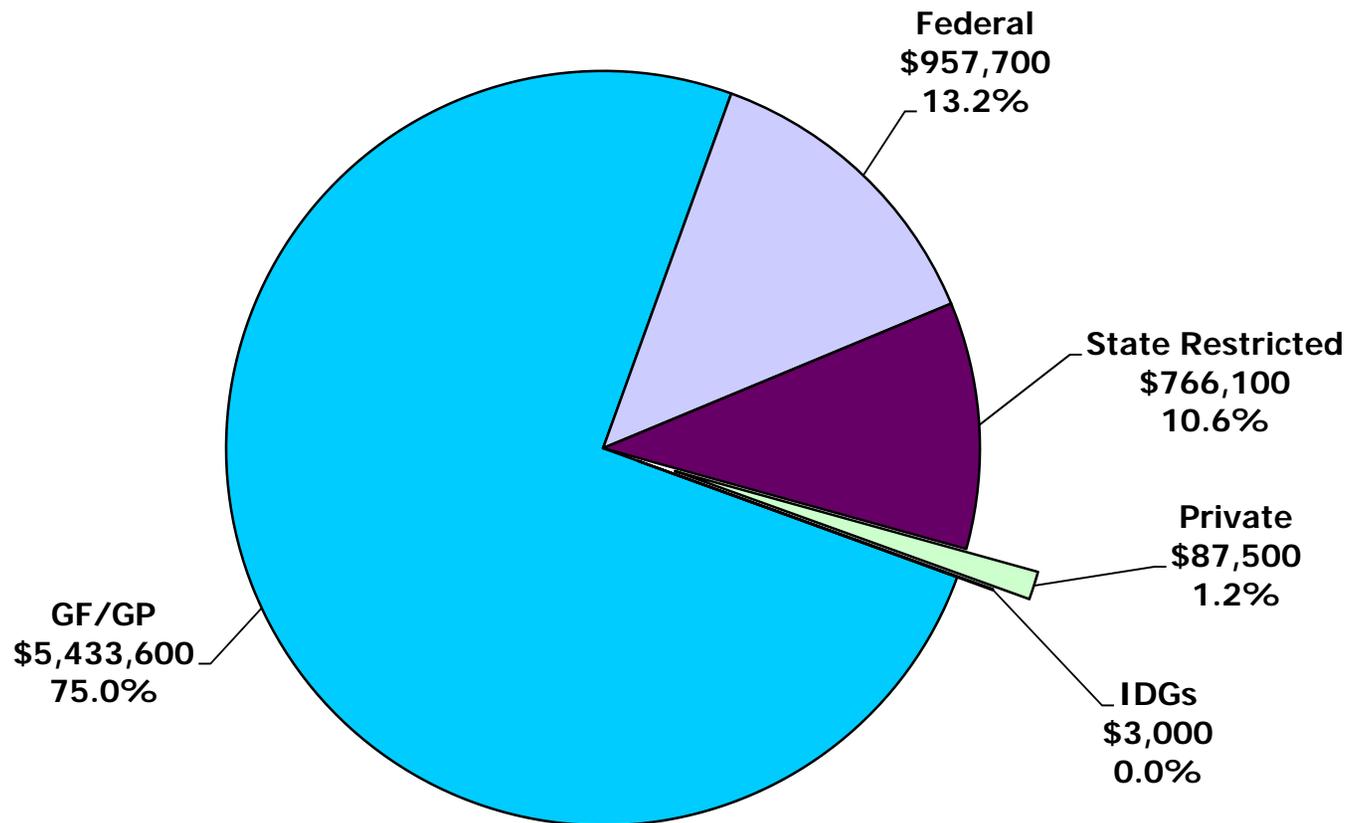
# Executive/Administration

- **Executive/Administrative functions supported in the Agriculture Budget include funding for:**
  - **Agriculture Commission**
  - **Michigan Department of Agriculture and Rural Development (MDARD) Executive Office**
  - **Other MDARD administrative functions**
  - **Rent and related property management charges**
  - **Information technology services and projects**

# Executive/Administration Unit Fund Sources

Executive/Administrative Support = \$7,247,900

9.4% of FY 2012-13 Agriculture Budget



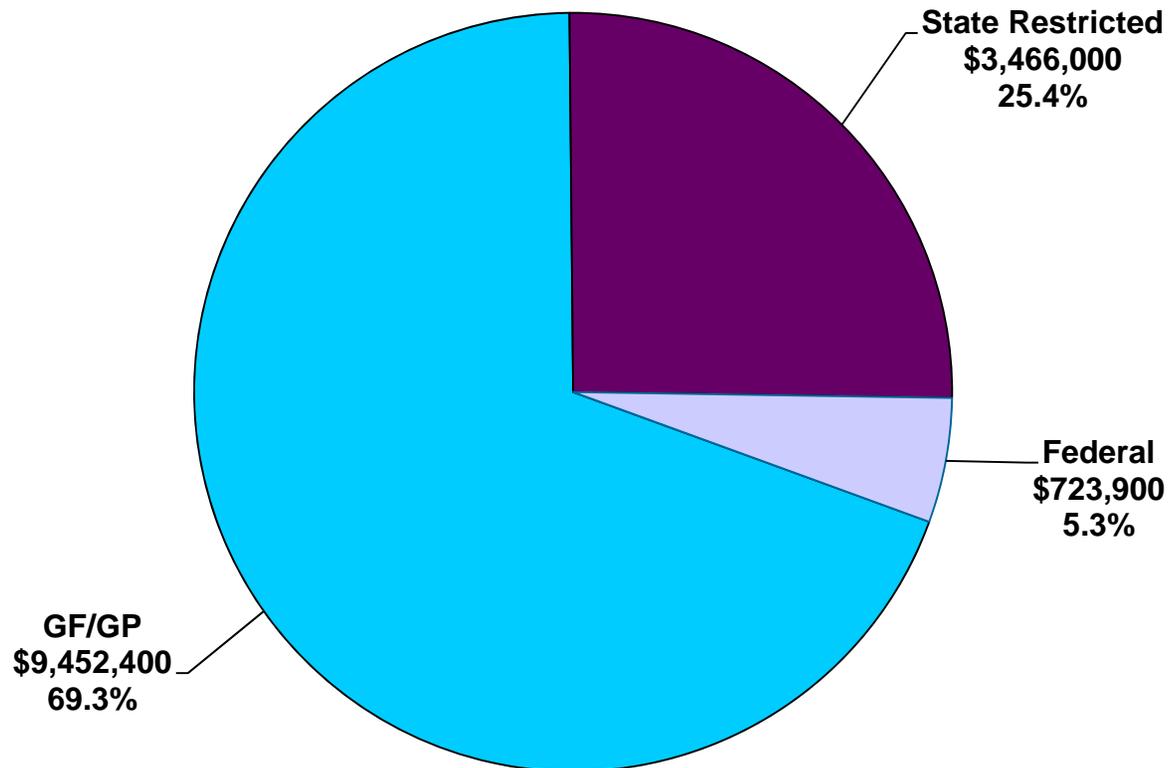
# Food and Dairy

- **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 Unit Fund Sources

Food and Dairy = \$13,642,300

17.7% of FY 2012-13 Agriculture Budget



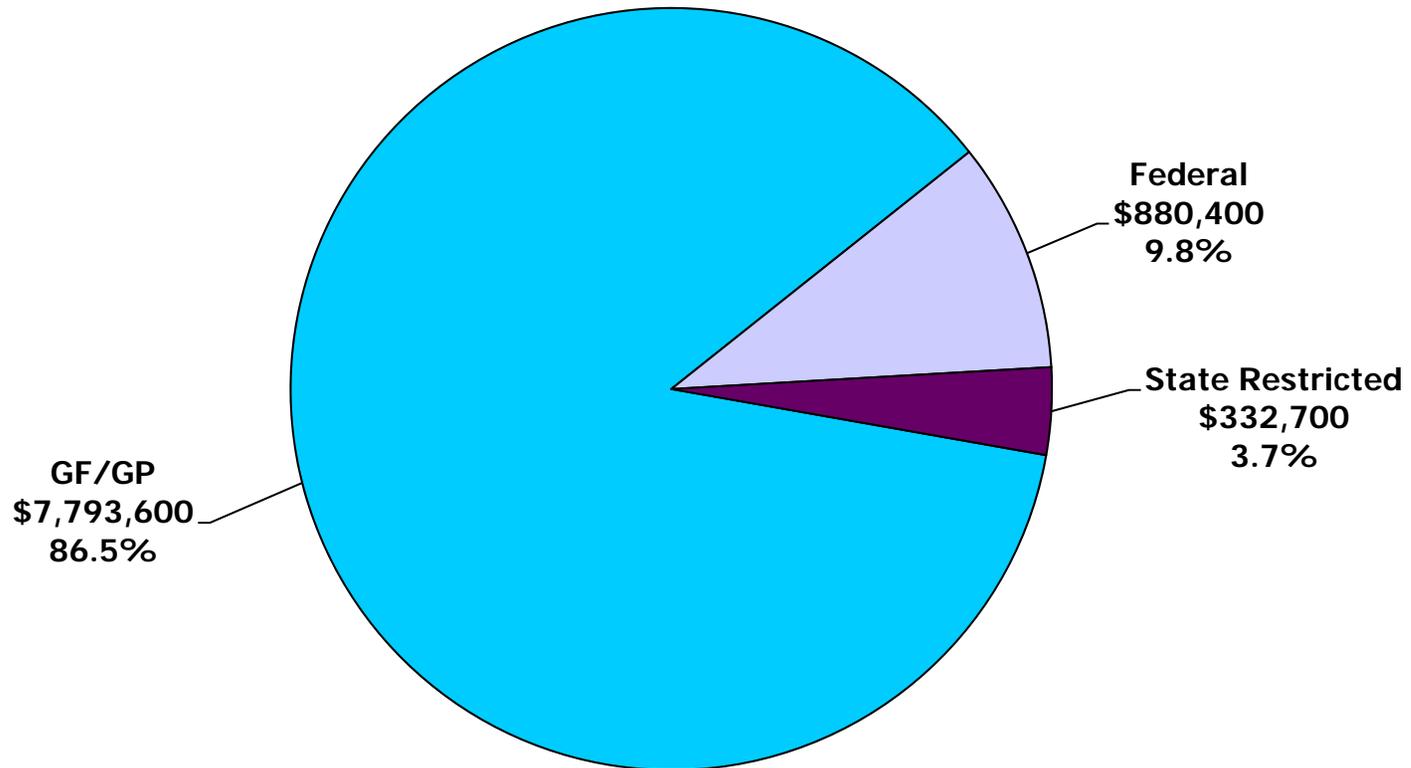
# Animal Industry

- **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 Unit Fund Sources

Animal Industry = \$9,006,700

11.7% of FY 2012-13 Agriculture Budget



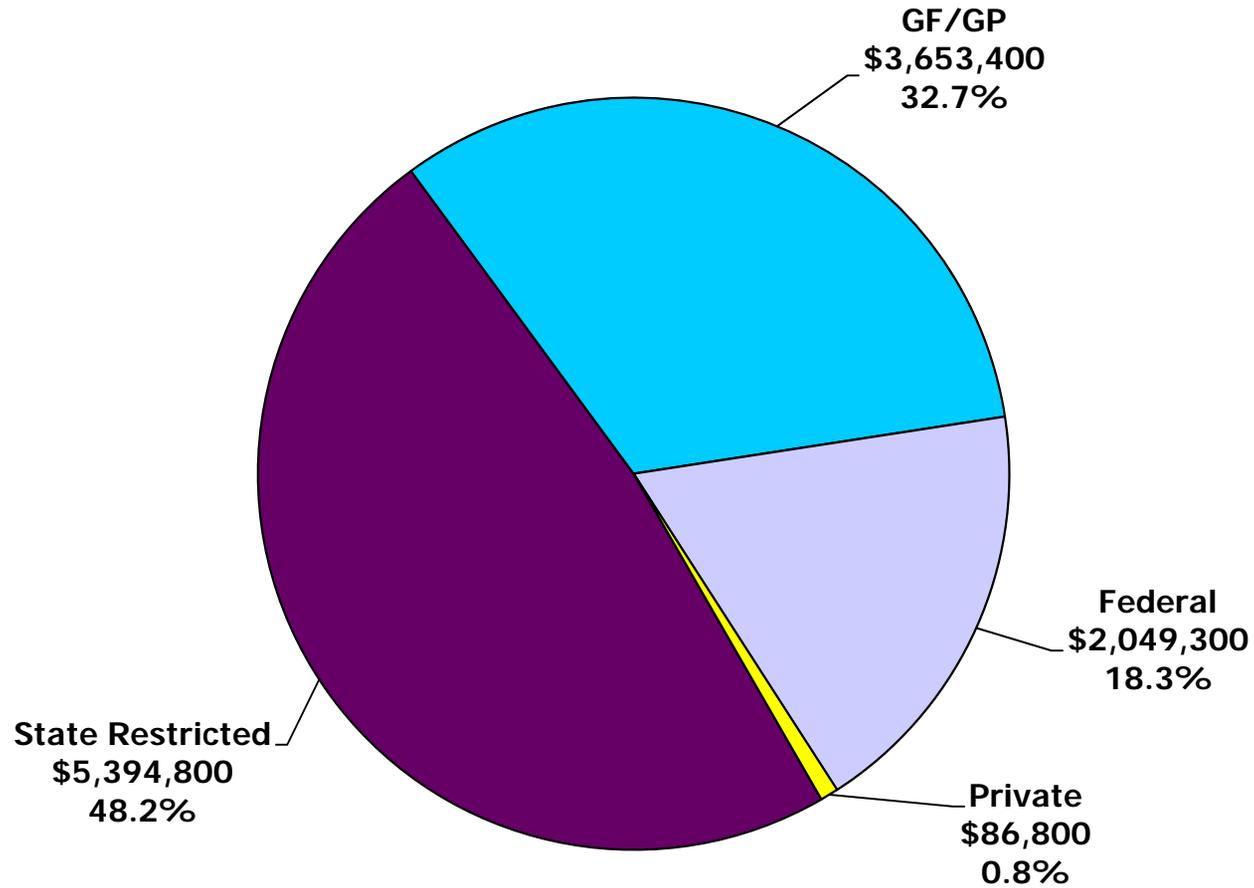
# Pesticide and Plant Pest Management (PPPM)

- **Funds enforcement of laws dealing with 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 Unit Fund Sources

PPPM = \$11,184,300

14.5% of FY 2012-13 Agriculture Budget



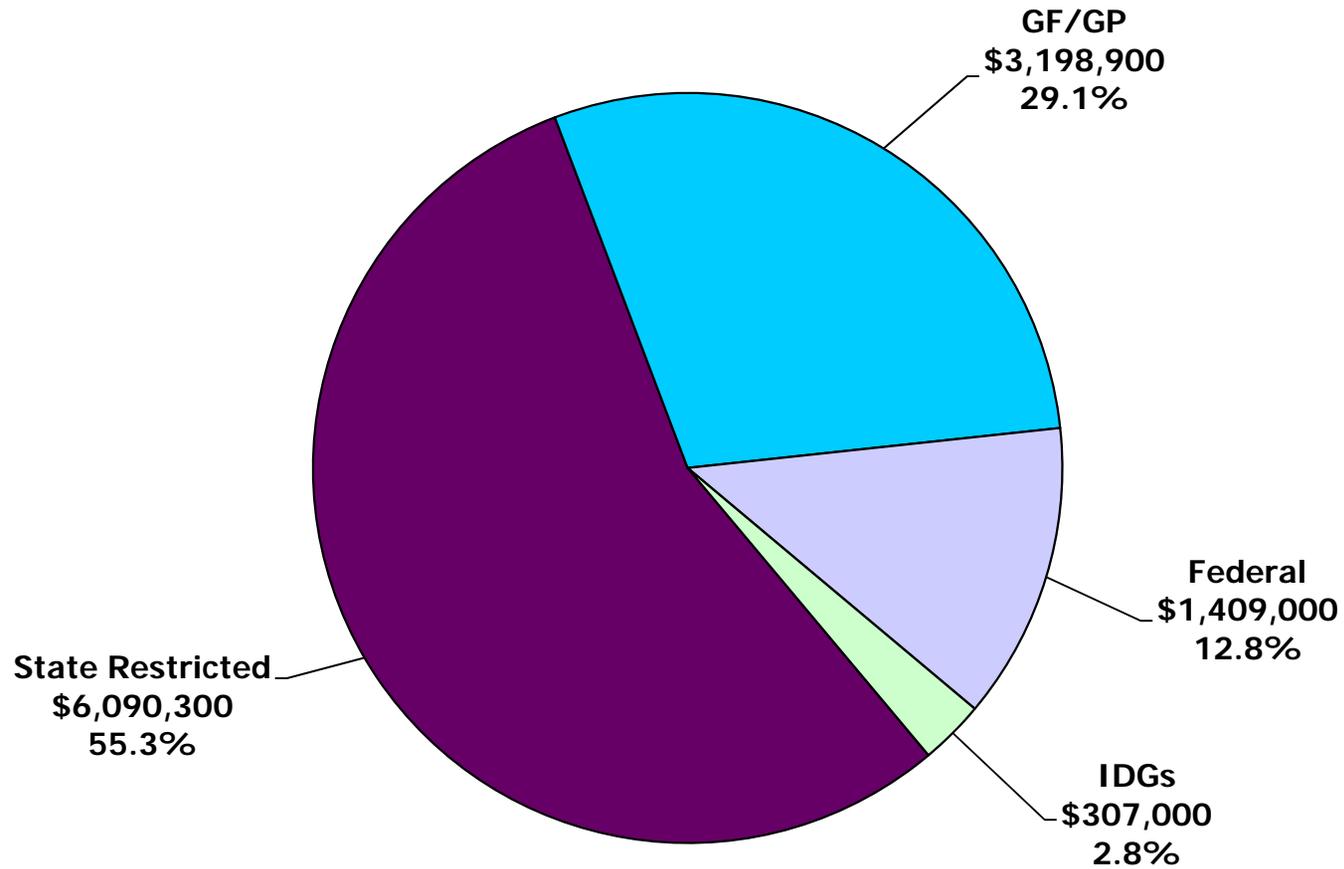
# Environmental Stewardship

- **Supports programs to:**
  - **Prevent agriculture-related pollution**
  - **Preserve farmland**
  - **Promote environmentally sound farming practices**
  - **Enhance groundwater protection**
  
- **Administers Right-to-Farm Law**
  
- **Provides support for Michigan Agriculture Environmental Assurance Program (MAEAP)**
  
- **Administers Intercounty Drain Program**
  
- **Administers Migrant Labor Housing Program**

# Environmental Stewardship Unit Fund Sources

Environmental Stewardship = \$11,005,200

14.3% of FY 2012-13 Agriculture Budget



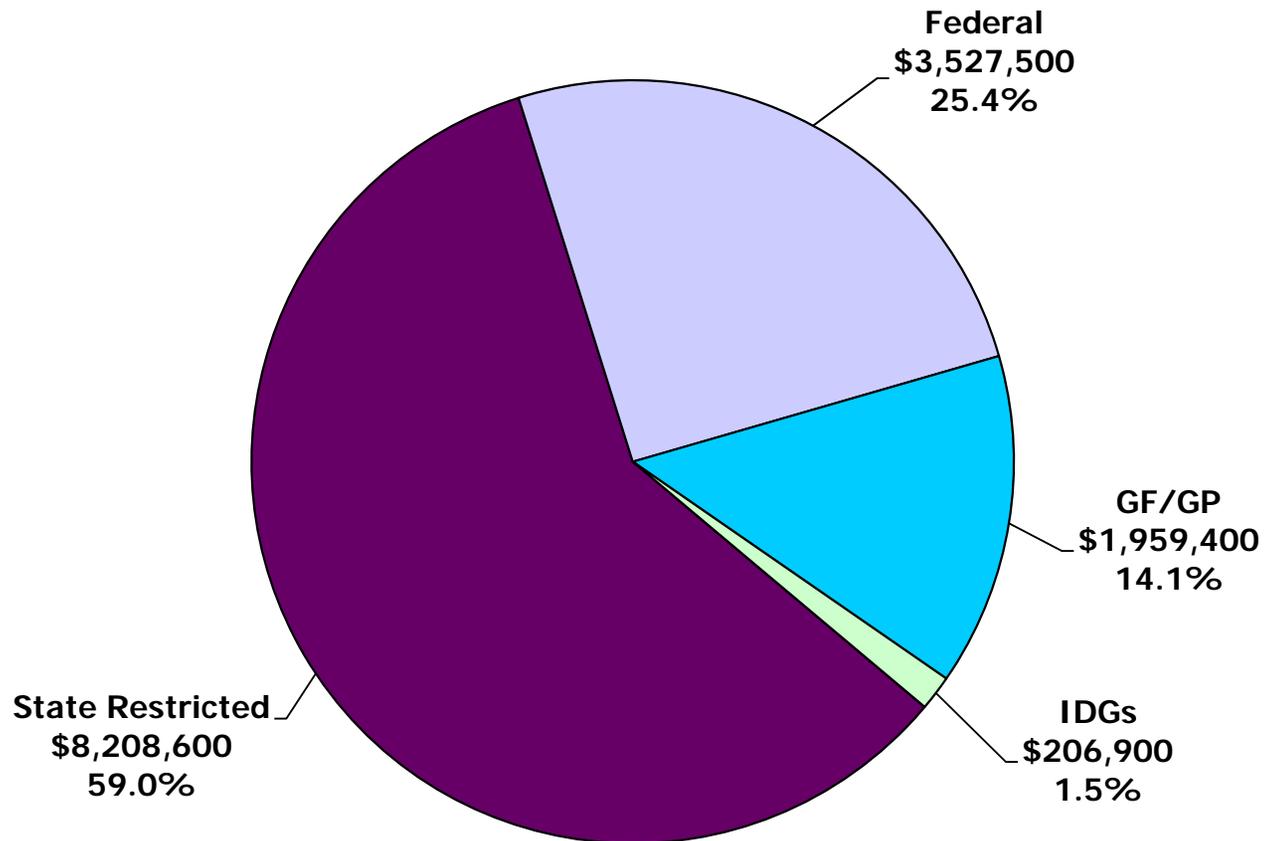
# Laboratory Program

- **The Department operates two laboratories**
  - **The Geagley Laboratory in East Lansing**
  - **The E. C. Heffron Metrology Laboratory in Williamston**
- **Department laboratories provide analytical, diagnostic, and technical services for other Michigan Department of Agriculture and Rural Development 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 Unit Fund Sources

Laboratory = \$13,902,400

18.1% of FY 2012-13 Agriculture Budget



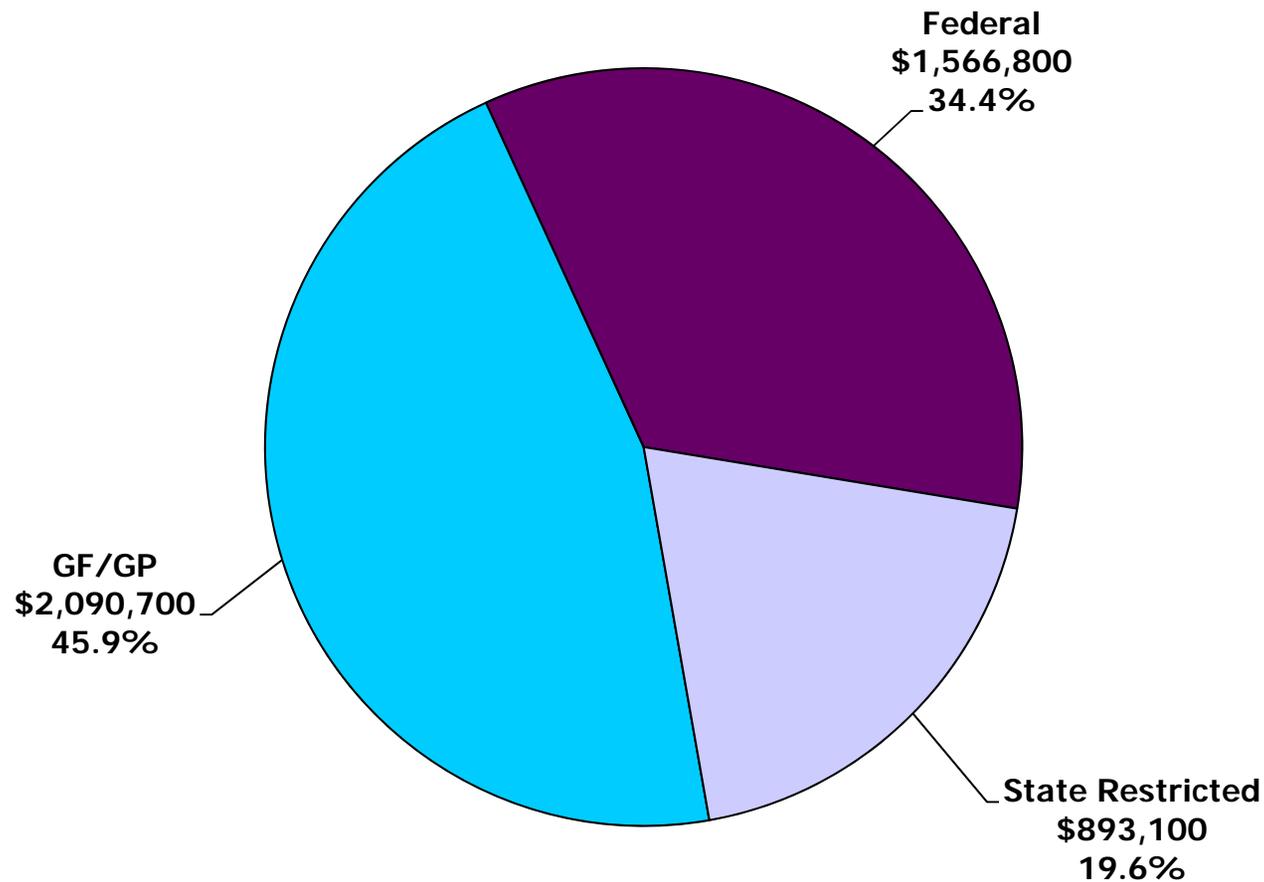
# Agriculture Development

- **Supports programs related to marketing and promoting Michigan food and agricultural products, including:**
  - Grape and Wine Industry programs
  - USDA Specialty Crop Block Grants
- **Oversees 15 legislatively authorized commodity organizations**
- **Oversees departments rural development initiatives**
- **Administers rural development value-added grant program**

# Agriculture Development Unit Fund Sources

Agriculture Development = \$4,550,600

5.9% of FY 2012-13 Agriculture Budget



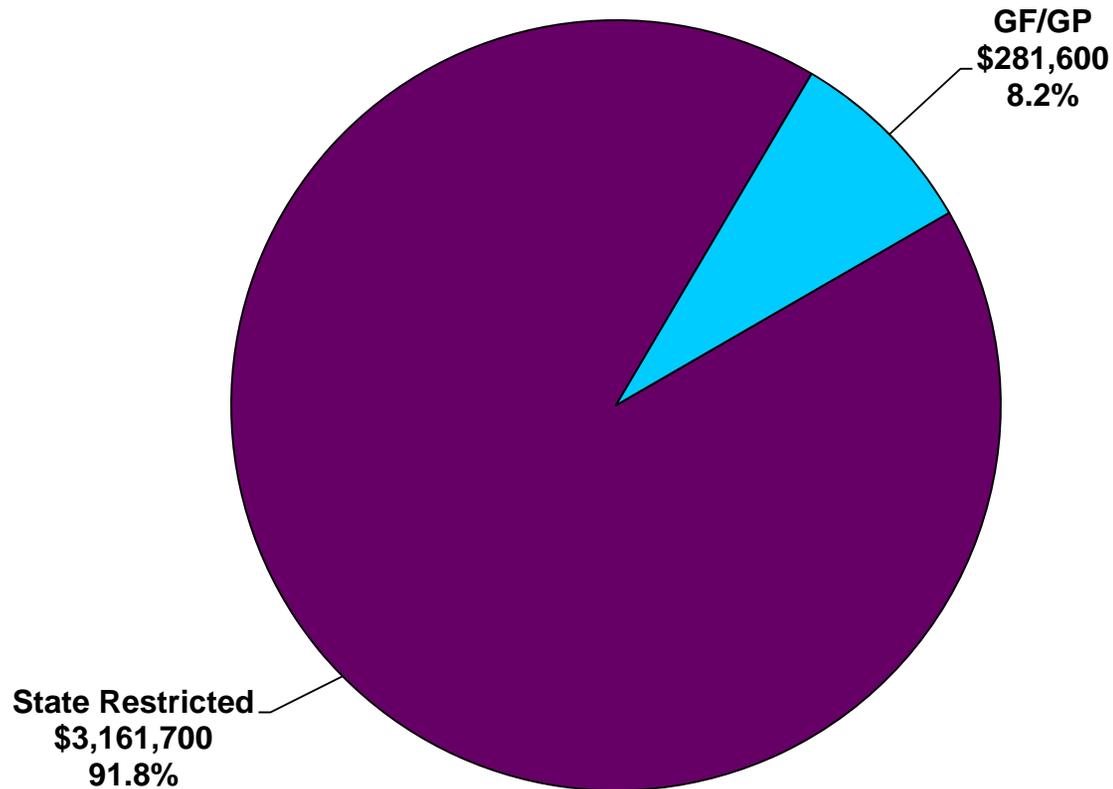
# Horse Racing, Fairs and Expositions

- **Fairs and Racing Unit administers grants for horse racing at pari-mutuel tracks and county fairs**
- **Provides state funding for horse racing purse supplements and other horse program grants under the Horse Racing Law of 1995**
- **Administers county fair capital improvement grant program**

# Horse Racing, Fairs and Expositions Unit Fund Sources

Horse Racing/Fairs and Expositions = \$3,443,300

4.5% of FY 2012-13 Agriculture Budget



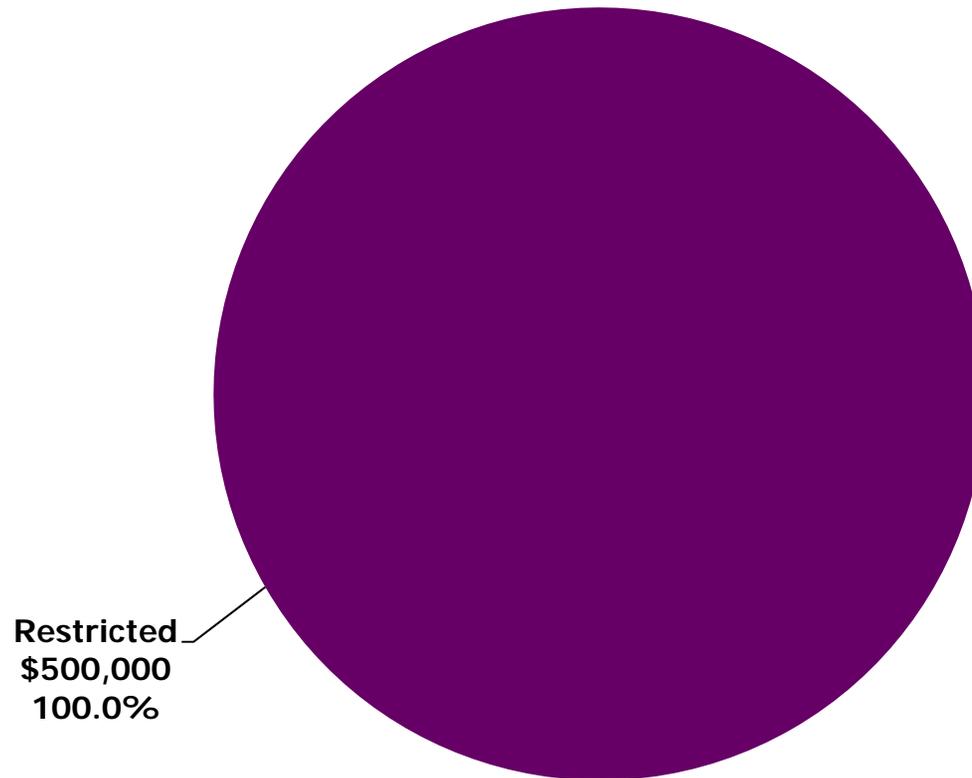
# Agriculture Capital Outlay Program

- **Provides funding for Farmland and Open Space Development Acquisition Program under authority of Part 362 of the Michigan NREPA Act.**

# Capital Outlay Unit Fund Sources

Capital Outlay = \$500,000

0.6% of FY 2012-13 Agriculture Budget



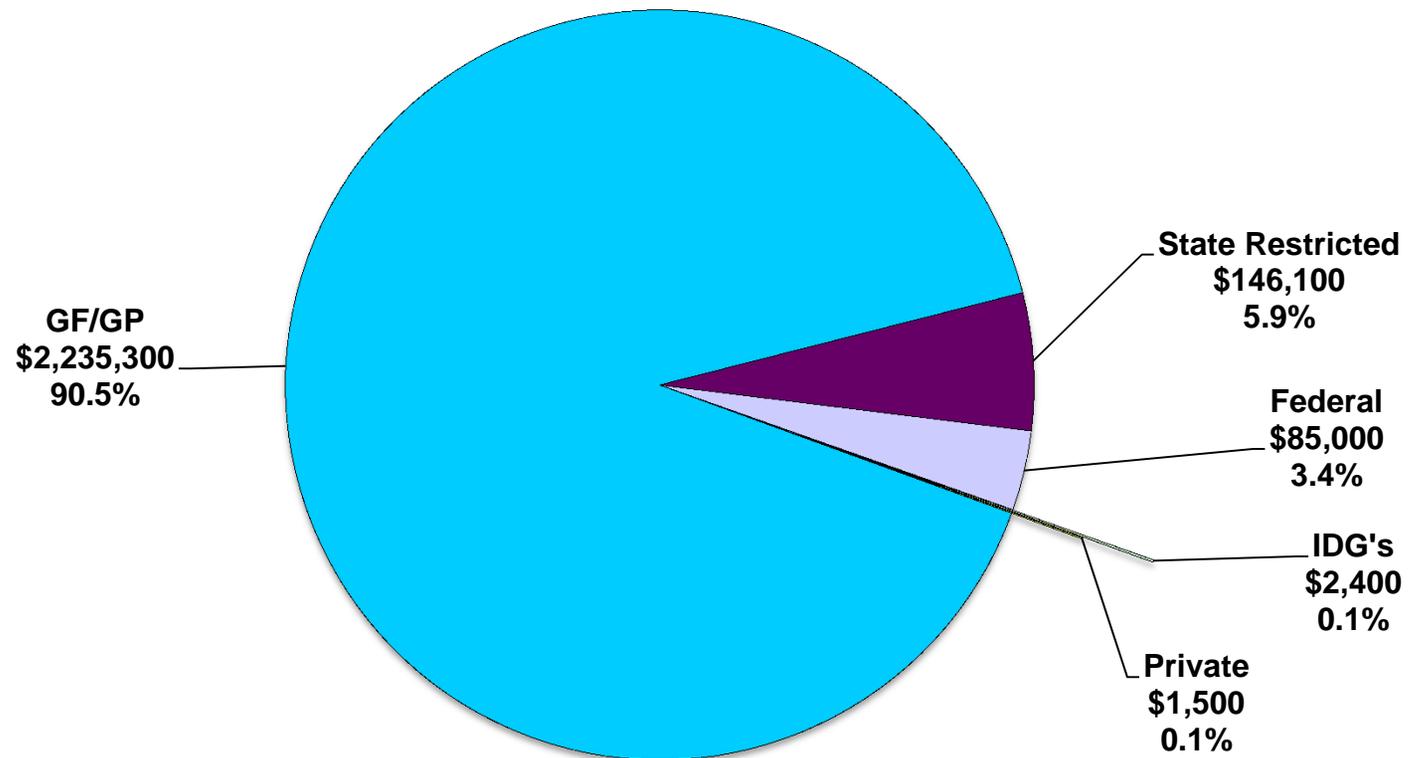
# One-Time Basis Only

- **Recognizes \$470,300 lump sum payments to state employees**
- **Provides \$500,000 GF/GP to implement new federal food safety standards**
- **Provides \$600,000 GF/GP for private forest development grant program**
- **Includes \$900,000 GF/GP for rural development value-added grant program**

# One-Time Basis Only Unit Fund Sources

One-Time Basis = \$2,470,300

3.2% of Total



**For more information about the  
Agriculture and Rural Development  
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