State Legislative Initiatives

Introduction

Throughout the past few years, our organization has focused on legislative efforts to streamline Michigan government and allow for economic and job growth. With some reforms well underway, agriculture is looking to the future growth opportunities. Keeping in mind the challenges set out at the 1st Governor’s Summit for Production Agriculture in 2011, Michigan Farm Bureau (MFB) is focused on legislation increasing workforce development, eliminating poor or unnecessary regulations, and increasing market access.

By 2015, agriculture aims to accomplish the following:
- Increase food and agriculture’s economic impact from $71 billion to $100 billion. (A recent economic impact study completed by Michigan State University indicates the current impact at $97.4 billion)
- Double agricultural exports.
- Increase food and agricultural career jobs by 10%.
- Increase access to healthy foods in Michigan by 20%.
- 5,000 Michigan Agriculture Environmental Assurance Program (MAEAP) verifications.

Appropriations

The budget proposed by the Governor is tied to all three organizational priorities for the year: Workforce Development, Regulatory Reform and Market Access. The following two budgets will be key to supporting agriculture’s growth. It should be noted, House and Senate appropriations subcommittees have worked through their first set of proposed budgets. Work will continue in late April and early May in the full House and Senate appropriations committees.

Agriculture and Rural Development

The Michigan Department of Agriculture and Rural Development (MDARD) budget will see a $4 million general fund increase under the executive proposal, with support for MAEAP, the migrant labor housing program, rural development activities, healthy food initiatives, food and dairy inspection programs, animal health, and private forestry assistance.

Talk points
- MFB is supportive of additional funding that will support a growing Michigan agriculture.

MFB Policy #26 MDARD

We strongly support the restoration of funding to MDARD to provide an adequate number of properly trained personnel, office, laboratory and technological support to respond to program needs and statutory directives for the necessary regulation, oversight and support of Michigan agriculture.

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Higher Education

Within the higher education executive budget proposal, the allocation for Project GREEEN and MSU Extension (MSUE) and AgBio Research (ABR) would receive flat funding, with a total of $52,625,800 for the two lines rolled into one. Last year, MSUE and ABR took a 15% cut like everything else in the higher education budget.

Talk points
- With deep cuts having a ripple effect on the MSUE and ABR service model, MFB supports a 3% increase in the current year budget to allow the University to allocate resources to priority areas for agriculture.

MFB Policy #46 Michigan State University

Today, Michigan State University (MSU) is recognized as a leader in higher learning, agricultural research, extension and youth development. To maintain this status, we support state regulation, oversight and support of Michigan agriculture.

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Workforce Development

Michigan Merit Curriculum

SB 997, SB 998 and HB 5451 alter the Michigan Merit Curriculum (MMC) to provide flexibility in students’ schedule for more opportunity to take career and technical education courses.

The MMC was altered and went into effect for the class of 2011. The MMC requires 18 courses be completed in addition to local school district requirements such as physical education or performing arts. This resulted in less time for enrollment in career and technical education where students are exposed to hands-on and experience skills that prove valuable in exposing students to the variety of agriculture careers available.

Talk Points
- Farmers depend on a stable work force. Many of the hands-on skills we need used to be taught in the vocational education classroom (now called career and technical education), and programs such as FFA. As high school coursework schedules have been filled by the MMC requirements, students no longer have time to enroll in these career-focused courses.
- A well-rounded education containing basic core curriculum, including college-prep or vocational/technical courses, should be an attainable and achievable goal for all students.
- MFB supports changes in the MMC that will allow flexibility to the MMC. This will provide more opportunities for students to enroll in vocational training programs.

MFB Policy #44 Educational Reforms

We recommend MFB work with the Legislature and the Department of Education to allow flexibility to the MMC.

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Addressing Bad Regulations

Commercial Motor Vehicles

HB 5228 exempt small-business vehicles (between 10,001 and 26,000 lbs.) that are only driven intrastate (within Michigan) from unnecessary federal regulations. The bill passed the House in late March and awaits consideration in the Senate.

Federal regulations allow each state to exempt these size vehicles for intrastate purpose only and so long as they do not carry hazardous materials or carry 16 or more passengers. Michigan currently is regulating vehicles down to 10,001 lbs. GVWR single or combination. As a result, we are requiring pick-up trucks and trailers that meet this
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Talk Points

- Some of these rules will be revised through the regulatory process, some will likely undergo legislative changes.

- The Office of Regulatory Reinvention has recommended 77 rules that should be revised or rescinded pertaining to the work of the Department of Environmental Quality. While some of these rules will be revised through the regulatory process, some will likely undergo legislative changes.

Rule Reform

- MFB strongly supports regulatory reform.

- Removing outdated, duplicative and unnecessary regulations is important to right-size government.

MFB Policy #65 Regulatory Reform and Reduction

We strongly support regulatory reform. New regulations should expire after a defined period of time unless a review finds substantial reasons to continue the programs. We oppose rules that are unwarranted or retroactive that penalize practices which were previously allowed.

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Increasing Market Access

Comprehensive Transportation Bill Package

The House and Senate introduced a comprehensive transportation package consisting of 30 bills that highlights elements of efficiency, mass transit and future funding strategies as outlined by the Governor in his special infrastructure message in October 2011. The following is a high level outline of what the package entails.

Fuel Tax

- Convert existing fuel tax to a wholesale tax.
- Limits in the bill would ensure the tax could neither increase nor decrease more than 1 cent/year after the initial year.
- Once effective, the wholesale rate would equal 28.3 cents/gallon.
- Gas and diesel would be taxed at the same rate.
- This is projected to raise $541 million annually.
- Dyed Diesel Fuel exemption for Implements of Husbandry remains intact.

Vehicle Registration Fees

- Increase fees for most passenger vehicles by 67%.
- Weight-based fees for commercial trucks would increase by 25%.
- This would raise an estimated $500 million.
- Money would be dedicated to MI Transportation Fund & new Commercial Corridor Fund.

Public Act 51 Changes

- Link future funding of local road agencies to adoption of best practices.
- Provides that local road agencies receiving less than $50,000 in 2012 would have their funds shifted to their respective counties starting in 2015.

Commercial Corridor Fund

- Would be funded by the revenue bills in the package.
- Intent is to align Michigan’s funding formula to recognize the federal functional class of roads.
- Would prioritize roads which are vital for economic activity and growth.

Other pieces of the package

- Require “best practices” as a condition of receiving future funds.
- Require that all road projects be subject to a competitive bid process.
- Creates a new regional transit authority in southeast Michigan.
- Allows an optional county registration fee by vote of the people for local transportation projects.

Talk Points

- Farm Bureau staff continues to review the legislation and the organization has not yet taken a position. MFB recognizes the importance of the state and local road network to agriculture. Further information can be found in MFB Policy #93 Highways.

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