

# FY 2026-27 AGRICULTURE AND RURAL DEVELOPMENT BUDGET

S.B. 863 (S-3): SENATE APPROPRIATIONS REC.

(as reported)

Committee: Appropriations



Throughout this document Senate means Committee Recommendation

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2025-26 YEAR-TO-DATE*	FY 2026-27 SENATE APPROPRIATIONS REC.	CHANGES FROM FY 2025-26 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	546.0	545.0	(1.0)	(0.2)
<b>GROSS .....</b>	<b>145,885,000</b>	<b>157,047,700</b>	<b>11,162,700</b>	<b>7.7</b>
Less:				
Interdepartmental Grants Received .....	336,600	338,600	2,000	0.6
<b>ADJUSTED GROSS .....</b>	<b>145,548,400</b>	<b>156,709,100</b>	<b>11,160,700</b>	<b>7.7</b>
Less:				
Federal Funds .....	20,079,600	20,245,000	165,400	0.8
Local and Private.....	0	0	0	0.0
<b>TOTAL STATE SPENDING.....</b>	<b>125,468,800</b>	<b>136,464,100</b>	<b>10,995,300</b>	<b>8.8</b>
Less:				
Other State Restricted Funds.....	47,972,400	59,563,700	11,591,300	24.2
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>77,496,400</b>	<b>76,900,400</b>	<b>(596,000)</b>	<b>(0.8)</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>11,800,000</b>	<b>11,800,000</b>	<b>0</b>	<b>0.0</b>

\*As of February 11, 2026.

Major Boilerplate Changes from FY 2025-26 Year-to-Date:
<b>1. Deleted Sections.</b> Senate deleted section: <b>228</b> (E-Verify Requirement).
<b>2. Modified Sections.</b> Senate made changes to several sections, which include: <b>204</b> (internet reporting), <b>229</b> (Annual Federal Changes Report), <b>239</b> (LDSI), <b>502</b> (Soil Health/Regenerative Agriculture).
<b>3. New Sections.</b> Senate included several new sections, which include: <b>240</b> (Federal ARP SFRF reappropriation), <b>241</b> (Federal ARP SFRF reallocation), <b>242</b> (Receive and Expend Language), <b>603-605</b> (guidelines for Michigan Local Food, Farm, and Nutrition Programs appropriation).

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FY 2025-26 Year-to-Date Appropriation .....	\$145,885,000	\$77,496,400		
	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>				
<b>1. Information Tech Operation Support.</b> Senate included \$422,800 in Restricted funding for Department IT systems, including website maintenance, payment portals, and grant applications to Michigan consumers.	422,800	0	2,832,300	2,158,000
<b>2. Economic Adjustments.</b> Senate included \$1,454,800 Gross and \$930,000 GF/GP for total economic adjustments.	1,454,800	930,000	N/A	N/A
<b><u>New Programs/Program Increases</u></b>				
<b>3. Michigan Local Food, Farm, and Nutrition Programs.</b> Senate included \$4.0 million GF/GP to assist Michigan consumers access fresh, local food by using SNAP benefits to buy more fresh produce (an additional \$1.0 million one-time is appropriated for the same purpose) and \$4.0 million from the School Aid Fund to help local education agencies to serve fresh food (an additional \$1.0 million one-time is appropriated under the same title), and to distribute grants to local education agencies to promote scratch cooking.	8,000,000	4,000,000	8,000,000	4,000,000
<b>4. Horse Racing Grants.</b> The Governor increased \$2.0 million from the Agriculture Equine Industry Development Fund (AEIDE) to support the horse racing industry and to strengthen breeding, racing, and related agricultural businesses.	2,000,000	0	6,764,200	250,000
<b>5. Qualified Forest Program.</b> Senate increased \$300,000 from the Private Forestland Enhancement Fund to provide grants to private landowners for forest management activities.	300,000	0	8,147,600	1,367,500
<b><u>Eliminations/Reductions</u></b>				
<b>6. Double-Up Food Bucks.</b> Senate rolled up \$4.0 million GF/GP to assist Michigan consumers access fresh, local food by using SNAP benefits to buy more fresh produce into Michigan Local Food, Farm, and Nutrition Programs.	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
<b><u>One-Time Appropriations</u></b>				

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	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b>7. Removal of FY 2025-26 one-time appropriations.</b> Senate removed \$4.0 million Gross and GF/GP in one-time appropriations (including \$1.5 million for Michigan Animal Agriculture Alliance, \$250,000 for County Fairs, Shows, and Expositions, \$250,000 Emerging Contaminants in Food and Agriculture, \$1.0 million for Fair Food Network – Double Up Food Bucks, \$500,000 for Food and Agriculture Supply Chain, and \$500,000 for Food Safety/Quality Assurance).	(4,000,000)	(4,000,000)	0	0
<b>8. Farmer-Owned Meat Processor Grants.</b> Senate included \$4.0 million from the Dairy and Food Safety Fund for grants for the expansion and development of farmer-owned and farmer-cooperative meat processors.	4,000,000	0	4,000,000	4,000,000
<b>9. Michigan Animal Agriculture Alliance.</b> Senate included \$3.0 million GF/GP for a targeted research grant program related to the animal agriculture industry.	3,000,000	3,000,000	3,000,000	3,000,000
<b>10. Michigan Local Food, Farm, and Nutrition Programs.</b> Senate included \$2.0 million GF/GP to assist Michigan consumers access fresh, local food by using SNAP benefits to buy more fresh, help local education agencies to serve fresh food, and distributing grants to local education agencies to promote scratch cooking.	2,000,000	2,000,000	2,000,000	2,000,000
<b>Other</b>				
<b>11. Food Safety and Quality Assistance Fund Swap.</b> Senate shifted \$2.5 million in GF/GP funding to the Food and Dairy Safety Fund.	0	(2,526,000)	39,358,200	22,883,100
<b>12. EO 2025-26 Rural Development Fund.</b> Senate transferred this fund to the Department of Labor and Economic Development.	(2,014,900)	0	N/A	N/A
Total Changes.....	\$11,162,700	(\$596,000)		
<b>FY 2026-27 SENATE APPROPRIATIONS REC. ....</b>	<b>\$157,047,700</b>	<b>\$76,900,400</b>		

Date Completed: 4-16-26

Fiscal Analyst: Nathan Leaman

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FY 2026-27 Gross and GF/GP Changes to FY 2025-26

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DeptCode	FUND	CSB	One-Time	Item #	Budget Area/Line Items	Gov Changes to FY 2025-26			Senate Changes to FY 2025-26		
						FTE	GROSS	GF/GP	FTE	GROSS	GF/GP
<b>AGRICULTURE AND RURAL DEVELOPMENT</b>											
<b><u>Non-CSB Ongoing Changes</u></b>											
MDARD				1	Michigan Local Food, Farm, and Nutrition Programs		0	0		8,000,000	4,000,000
MDARD				2	Farm Start	2.0	2,000,000	0		0	0
MDARD				3	Horse Racing Grants	5.0	2,000,000	0		0	0
MDARD				4	Food Safety - Dangerous additives		1,000,000	0		0	0
MDARD				5	Qualified Forest Program		300,000	0		300,000	0
MDARD				6	Double Up Food Bucks		0	0		(4,000,000)	(4,000,000)
<b>Subtotal - Non-CSB Ongoing</b>						<b>7.0</b>	<b>5,300,000</b>	<b>0</b>	<b>0.0</b>	<b>4,300,000</b>	<b>0</b>
<b><u>CSB Ongoing Changes</u></b>											
MDARD	1			1	Economic adjustments		1,422,800	908,500		1,422,800	908,500
MDARD	1			2	Unclassified salaries		32,000	21,500		32,000	21,500
MDARD	1			3	Information tech operation support		422,800	0		422,800	0
MDARD	1			4	EO 2025-9 Rural Development Fund	(1.0)	(2,014,900)	0	(1.0)	(2,014,900)	0
MDARD	1			5	Align Spending Authorization technical adjustment		0	0		0	0
MDARD	1			6	Food safety and quality assistance fund swap		0	(2,526,000)		0	(2,526,000)
<b>Subtotal - CSB Ongoing</b>						<b>(1.0)</b>	<b>(137,300)</b>	<b>(1,596,000)</b>	<b>(1.0)</b>	<b>(137,300)</b>	<b>(1,596,000)</b>
<b><u>One-Time Changes</u></b>											
MDARD	1			1	Farmer-Owned Meat Processor Grants					4,000,000	0
MDARD	1			2	Michigan Animal Agriculture Alliance					3,000,000	3,000,000
MDARD	1			3	Michigan Local Food, Farm, and Nutrition Programs					2,000,000	2,000,000
MDARD	1			4	Remove FY26 one-time and supplemental appropriations		(4,000,000)	(4,000,000)		(4,000,000)	(4,000,000)
MDARD	1			5	Double Up Food Bucks		1,000,000	1,000,000		0	0
<b>Subtotal - One-Time</b>						<b>0.0</b>	<b>(3,000,000)</b>	<b>(3,000,000)</b>	<b>0.0</b>	<b>5,000,000</b>	<b>1,000,000</b>
<b>TOTAL AGRICULTURE AND RURAL DEVELOPMENT</b>						<b>6.0</b>	<b>2,162,700</b>	<b>(4,596,000)</b>	<b>(1.0)</b>	<b>9,162,700</b>	<b>(596,000)</b>