Senate Fiscal Ayency P. O. Box 30036 Lansing, Michigan 48909-7536



# **BILL ANALYSIS**

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House Bill 5832 (Substitute H-2 as passed by the House)

Sponsor: Representative Mike Pumford

House Committee: Agriculture and Resource Management Senate Committee: Farming, Agribusiness and Food Systems

Date Completed: 5-15-02

# CONTENT

# The bill would amend the Animal Industry Act to do the following:

- -- Delete the requirement that a surveillance zone (an area adjacent or contiguous to an infection zone) be free of bovine Tuberculosis (TB).
- -- Permit the Director of the Michigan Department of Agriculture (MDA) to order testing for any reportable disease in any area or herd and to remove high-risk and potential high-risk designations from areas of the State when certain testing requirements had been met; and increase other duties of the Director involving bovine TB testing.
- Include privately owned cervids in livestock facilities with reduced testing requirements for bovine TB if the animals are going only to slaughter.
- Permit the Director to quarantine equipment and vehicles, in addition to animals, for the purpose of controlling or preventing the spread of disease.
- -- Include aerosol mingling as a form of animal contact in several definitions.
- Exempt veterinarians who are participants in the bovine TB testing from yearly bovine TB training.
- -- Make it a felony intentionally to infect, contaminate, or expose an animal to a reportable disease, other than for research purposes.

# Animal Aerosol

The bill would add the word "aerosol" to three definitions involving animal contact. "Commingling", "direct movement", and "isolated" currently refer to animals sharing (or being isolated from) other animals' bodies,

bodily excrements, or fluids. Under the bill, these three definitions also would include the sharing of animal aerosols.

# Privately Owned Cervids

The Act defines "privately owned cervid" as all species of the cervid family including, but not limited to, deer, moose, and elk, that are raised or maintained in captivity for the production of meat and other agricultural products, sport, exhibition, or any other purpose. Under the bill, a privately owned cervid would have to bear visible, rather than an official, identification.

The bill would add "privately owned cervid" to several provisions pertaining to a terminal operation. The Act defines a "terminal operation" as a facility for cattle and goats to allow for continued growth and finishing until they are shipped directly to slaughter. The bill would include "privately owned cervids" among the animals housed in a terminal operation.

The bill also would add "privately owned cervid" to the definition of "whole herd" in provisions that address bovine TB testing. Currently, "whole herd" means any isolated group of cattle and goats maintained on common ground for any purpose, or two or more groups of cattle and goats, 12 months of age or older, under common ownership or supervision that are geographically separated but have an interchange or movement of cattle and goats without regard to health status as determined by the Director. The bill would delete the age specification of 12 months or older and include privately owned cervids with cattle and goats as animals in a whole herd.

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Under the Act, all privately owned cervids imported into the State, except those consigned directly to a State or Federally inspected slaughter facility, must be isolated from all other animals until they receive two official negative TB tests. The bill would delete a requirement that the second test take place within 90 days before importation.

# Surveillance Zones and Movement Restrictions

The Act defines "surveillance zone" as any area in the State with the defined dimensions that is bovine TB free and located adjacent or contiguous to an infection zone as determined by the Department in consultation with the United States Department of Agriculture (USDA). The bill would delete the requirement that the surveillance zone be free of bovine TB.

Under the Act, the Director may develop, implement, and enforce scientifically based movement restrictions and requirements, including official bovine TB test requirements; prior movement permits; official identification of animals for movement between or within a disease free zone, surveillance zone, and an infected zone, or any combination of these zones; and other restrictions. ("Disease" is currently defined as any animal health issue with economic impacts in terms of restricted movement or markets, whether due to residues, metabolic problems, public health concerns, multiple causes, or food safety issues. The bill instead would define "disease" as any animal health condition with potential for economic impact, public or animal health concerns, or food safety concerns.) Currently, the Department must comply with certain procedural requirements before issuing movement restrictions. In this provision and several others, the bill would replace "movement restrictions and other requirements" with "zoning requirements".

The Act requires the MDA to place proposed movement restriction requirements on the Agriculture Commission's agenda for at least one month before implementation and allow public comment before Commission review. Under the bill, the Department would have to place the proposed zoning requirements on the agenda for at least one month before final review and order by the Director; written comments could be submitted to the Director during the one-month period; and the Director

would have to hold at least one public forum within the affected areas.

Under the Act, the MDA may revise or rescind movement restrictions. The bill would permit the Director, not the Department, to revise these restrictions, provided that the revision would not alter the boundary of a previously established zone.

The Act defines "intrastate" as movement from one location to another within the State; it does not include movement of livestock from one location within the State to another within the State when both locations are part of the same livestock operation. The bill provides that when intrastate movement caused livestock to cross from one zone to another, livestock would have to meet the testing requirement for their zone of origin.

# Bovine TB High Risk Areas

The Act defines "high risk area" as an area in which bovine Tuberculosis has been diagnosed in livestock. The bill would refer to an area designated by the Director as a high-risk area, and delete language stating that a high-risk area does not include an area where tests indicate a lack of bovine TB diagnosis at least 36 months after the date the area was designated as a high-risk area (although the Director would have to remove the designation, as described below).

A "potential high risk area" is an area in which bovine TB has been diagnosed only in wild animals. Again, the bill would refer to an area designated by the Director. The bill would delete language stating that a potential highrisk area does not include an area where cattle and goat herds are whole-herd tested resulting in the lack of any additional bovine TB infected animals found in wild animals, domestic animals, or livestock.

Under the Act, cattle and goats that originate from an area not designated as a high-risk area and that move intrastate must meet certain requirements until the zone, area, or the entire state from which they originate receives TB-free status. Cattle and goats that originate from an area that has been designated as a high-risk area must meet certain requirements until the zone, area, or state of origin is no longer designated as a high-risk area. Cattle and goats that do not

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meet either of these requirements must be sold through a livestock auction market for slaughter only. Under the bill, the slaughter would have to occur within five days of the sale, and the buyer of the livestock would have to provide to the Director, upon his or her request, verification that the slaughter had occurred within five days of the sale. If a buyer did not comply with the bill, he or she would be subject to the penalties of the Act.

# Whole Herd Testing

The Act requires that cattle and goat herds located in high-risk areas be whole herd bovine TB tested at least once a year. After the first whole herd bovine TB test, testing must occur between 10 and 14 months from the anniversary date of the first test. The bill provides that, when 36 months of testing failed to disclose a newly affected herd within the high-risk area or any portion of the high-risk area, the Director would have to remove the high-risk area designation from all or part of that area.

Under the Act, cattle and goat herds located in potential high-risk areas must be whole herd tested for bovine TB within six months after the Director has established a potential high-risk area or have a written herd plan with a targeted whole herd bovine TB testing date. Under the bill, when all herds met this testing requirement, the director would have to remove the potential high-risk area designation.

The Act provides that all cattle and goat herds located outside a high-risk or potential high-risk area must be whole herd tested between January 1, 2000, and December 31, 2003. The bill would exempt livestock assembled at feedlots where all animals were fed for slaughter before 24 months of age.

In addition, the bill would permit the Director to order testing for any reportable disease in any geographical area or in any herd in order to accomplish surveillance necessary for the State to participate in the National TB Eradication Program; to complete epidemiologic investigations for any reportable disease; or whenever a reportable disease was suspected.

Further, the bill would prohibit a person from selling, offering for sale, moving, or

transferring any livestock that originated from a herd or area under order for testing by the Director unless the livestock had met the requirements of the order. If a person did not have a herd tested, the Director would have to notify the person responsible for management of the herd of the necessity for testing and the deadline for the testing to occur, and quarantine any herd that had not been tested until State or Federal veterinarians or accredited veterinarians could complete the tests.

(The bill would revise the definition of "quarantine", which currently means an enforced isolation of any animal or group of animals or restriction of movement of an animal or group of animals to or from any structure, premises, or area of the State, including the entirety of the State. The bill would expand the definition to include the same restrictions on equipment or vehicles.)

# Bovine TB Testing; Veterinarians

Currently, bovine testing must be conducted by a veterinarian employed by the MDA or USDA, an accredited veterinarian paid by the owner, or an accredited veterinarian under contract with the USDA or the Department. Veterinarians under contract are required to attend a bovine TB educational seminar and then yearly TB seminars in order to be eligible for continued contract and payment by the MDA or the USDA. The bill would delete the yearly seminar requirement but continue to require that veterinarians under contract attend an initial training. In addition, the bill would delete the provision allowing accredited veterinarians paid by the owner to conduct bovine TB tests, but permit accredited veterinarians, in addition to those who work for the MDA or the USDA, to conduct the TB tests.

The Act provides that private veterinarians approved to be under contact may be paid by the Department for testing services. Any other bovine TB testing conducted in addition to, or less than, the requirements or allowances under the Act is the responsibility of the owner. The bill would delete this provision.

Under the bill, required bovine TB testing would have to be conducted as an official test. Under the Act, "official test" means a sample

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of a specific material collected from an animal by an accredited veterinarian or other person authorized by the Director and analyzed by a laboratory certified by the USDA or the MDA. The bill would add that an official test could be conducted by a State or Federal veterinary medical officer. Further, the Act provides that an official vaccination must be administered by an accredited veterinarian and documented on a form supplied by the Department. The bill provides that a State or Federal veterinary medical officer also could administer a vaccination.

The bill would delete a requirement that the Director, in consultation with the livestock industry and veterinary profession, pay a veterinarian for chutes and gates on a 50-50 cost share basis as approved by the Agriculture Commission.

Further, the bill would allow a terminal operation to accept any individual livestock that had not been tested for bovine TB as long as the herd of origin had been tested, or when other requirements of the Act or other requirements as determined by the Director had been met.

# Official Identification and Branding

The Act requires that all cattle, goats, and privately owned cervids bear official identification before they leave a premises. The bill also would require sheep to bear proper identification. In addition, the bill would require livestock entering a terminal operation to bear official identification or have the identification applied within 10 days of arrival.

The Act requires that livestock ordered to be slaughtered, destroyed, or otherwise disposed of due to brucellosis be branded. The Act also provides that an animal exposed in a brucellosis-infected herd or quarantined herd be branded before a permit is issued for the slaughter of that animal. The Director may refrain from branding and slaughtering under certain circumstances. The bill would add that the Director could refrain from branding if the animals were moved under an official seal and secured transport unit.

# Livestock Auction Market

The bill would require that all cattle, bison,

goats, and privately owned cervids consigned for slaughter or not meeting intrastate testing requirements for movement be sold for slaughter only and be moved directly to slaughter. Livestock auction markets or sale yard management would be prohibited from selling livestock to any buyer that did not certify, in a signed statement, that such animals removed from the premises would be moved directly to a slaughter establishment and slaughtered within five days. Prior to removal of the animals by the buyer, sale management would have to require that the buyer provide the slaughter destination information for each animal removed from the premises.

# Penalties

The Act lists several prohibited activities that are considered felonies and punishable by a fine of at least \$1,000 and at most \$50,000, or by imprisonment of up to five years, or both. To this list of felonies, the bill would add intentionally infecting or contaminating an animal with, or intentionally exposing an animal to, a reportable disease other than for bona fide research as approved by a research institution licensed by the State or a Federal agency.

# **Additional Provisions**

The bill would prohibit a person from giving false information in matters falling under the Act, and from impeding or hindering the Director in the discharge of his or her duties under the Act. The bill also would repeal Section 43a of the Act (MCL 287.743a), which prohibits a person from providing false information or otherwise resisting, impeding, or hindering the Director.

The bill provides that, upon demand of the Director, a person transporting livestock would have to produce documentation that contained the origin of shipment, registration or permit copies or documentation, documentation demonstrating shipping destination, and any other proof that would be required under the Act.

Further, the bill would permit the Director to waive any testing requirements after epidemiologic review.

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Currently, dairy herds must be tested in a manner provided for by the Federal 1999 Grade A Pasteurized Milk Ordinance. The bill would refer instead to the 2001 Federal Grade A Pasteurized Milk Ordinance.

#### **Revised Definitions**

Currently, "animal movement certificate" means a printed form adopted by the Department and completed and issued by the Director that contains, at a minimum, the following information regarding animals or an animal: the point of origin and point of destination; the official identification; the anticipated movement date; and any required official test results for bovine tuberculosis. Under the bill, an "animal movement certificate" would contain the same information about an animal, but the certificate would be an animal movement authorization established in a manner approved and issued by the Director (instead of a farm adopted by the MDA and completed by the Director).

Under the Act, "consignee" means the person receiving the animals at the point of destination named on the official interstate or intrastate health certificate, official interstate certificate of veterinary inspection, entry authorization form, owner-shipper statement, or sales invoice. Under the bill, the point of destination also could be named on an animal movement certificate and a fish disease inspection report.

The Act defines "prior entry permit" as a code obtained from the Department for specific species of livestock imported into the State, recorded on the official interstate health certificate or official interstate certificate of veterinary inspection. The bill would add "before entry into the state".

MCL 287.703 et al.

Legislative Analyst: Claire Layman

# **FISCAL IMPACT**

The bill would result in increased administrative costs to the Department of Agriculture. These costs would be covered by existing resources. The proposed fiscal year 2002-03 budget for the bovine tuberculosis program is \$3.5 million. The bill could result

in decreased costs associated with the elimination of the 50/50 cost share program for the purchase of chutes and gates required for animal testing by veterinarians. According to the Department, this provision is being eliminated because nearly all of the vets participating in the testing program have been provided with the necessary equipment.

Fiscal Analyst: Craig Thiel

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.