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Senate Bill 946 (Substitute S-1 as reported)
Sponsor: Senator Bruce Caswell
Committee: Appropriations

CONTENT

The bill would amend the Insect Pest and Plant Disease Act to do the following:

- Change the frequency with which a nursery must be inspected by the Department of Agriculture and Rural Development (MDARD) for insect pests or plant diseases from annually to not less than every other year, except for nurseries that distribute stock on an interstate basis, which would continue to require annual inspections.
- Require that all nursery dealers in the State that receive stock from other states or countries to begin to be inspected not less than every other year.
- Change the limit on how much the MDARD Director may raise inspection fees in a given year, with approval from the Commission of Agriculture and Rural Development, from the current 50% to an amount that reflected the Detroit-Ann Arbor-Flint consumer price index over the one-year period, not to exceed 5%.
- Provide that a nursery dealer that only purchases nursery stock grown in the State by a nursery grower that holds a valid nursery license and certificate of inspection, need not apply for a license (currently \$100 annually), but would have to register as a nursery dealer for an annual registration fee of \$35.
- Remove an October 1, 2012, sunset on existing license fees that, if it takes effect, will lower the nursery license fee or nursery dealer license fee from \$100 to \$50 and the plant growers license fee from \$100 to \$20.
- Remove an October 1, 2012, sunset on the existence of the Horticulture Fund which, if it takes effect, will require any balance in that Fund to be transferred to the Agriculture Licensing and Inspection Fees Fund.
- Require those receiving or selling nursery stock on a wholesale basis to maintain shipping documents, including certificates of inspection, for 36 months after the date of receipt or sale, whichever was later.

MCL 286.202 et al.

FISCAL IMPACT

The bill would result in some gains and some losses in revenue for MDARD, resulting in a net revenue loss of approximately \$81,400. A revenue loss would result due to 50% of current nursery dealers becoming eligible to pay a \$35 registration fee instead of a \$100 license fee, for a loss of \$134,300; a revenue gain of \$52,900 would result from the increase in inspections due to about half of the nursery dealers (those that sell out-of-State stock) being required to be inspected at least every other year for the first time. The bill also would prevent a revenue loss of approximately \$250,000 by removing the sunset on current license fee amounts.

Date Completed: 2-23-12

Fiscal Analyst: Bruce Baker

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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.