



Senate Fiscal Agency  
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BILL



ANALYSIS

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Senate Bill 996 (Substitute S-4 as reported by the Committee of the Whole)  
Sponsor: Senator Tom Casperson  
Committee: Agriculture

## **CONTENT**

The bill would create the "Wildlife Depredation Indemnification Act" to do the following:

- Require the Michigan Department of Agriculture and Rural Development (MDARD) to provide for indemnification for the death, injury, or loss of livestock from wolves, coyotes, and cougars.
- Require animal owners to report an incident to MDARD within 24 hours and verify the type and number of animals for which indemnification was sought.
- Require an owner to give MDARD documentation, upon request, that the animals had official identification if required under the Animal Industry Act.
- Require MDARD to appraise and inventory the animals for which indemnification was sought and to pay an indemnification claim within 45 days.
- Specify that a claimant would be entitled to receive twice the amount of the claim if MDARD failed to meet the 45-day requirement.
- Require MDARD to reimburse a claimant 100% of fair market value, for each animal included in a claim, up to \$4,000 for each animal.
- Establish procedures for determining the amount of indemnification.
- Require MDARD to deduct from the indemnification amount any compensation received, or to be received, for the death, injury, or loss of animals, from any other source.
- Allow MDARD to make an indemnification payment, up to \$100,000 per incident that was the basis for a valid indemnification claim, from any budgetary line item, and provide that any agreement for an indemnification payment of a larger amount would be subject to specific appropriations and not paid from MDARD funds.
- Provide that acceptance of compensation under the Act would constitute a full and complete release of any claim against the State.
- Specify conditions under which animals would be ineligible for indemnification.
- Require an owner to give the Department of Natural Resources (DNR) access to the owner's property, upon request, if the DNR believed an on-site visit would assist its investigation.

Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

The bill would have no fiscal impact on current practices of indemnification payments, which are to be made by MDARD as provided for in Article 1, Section 453(2) of Public Act 200 of 2012, the FY 2012-13 appropriations act for MDARD. The Act also appropriates \$50,000 GF/GP for FY 2012-13 for this purpose, reflecting the average payout of such payments in recent years of \$40,000 to \$50,000. In previous years, it had been the practice that the DNR would reimburse MDARD for indemnification payments. Under the bill, those payments would be the direct responsibility of MDARD.

Date Completed: 11-28-12

Fiscal Analyst: Bruce Baker