

Legislative Analysis



ANIMAL INDUSTRY ACT REVISIONS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 6205 as enrolled
Sponsor: Rep. Dan Lauwers

Analysis available at
<http://www.legislature.mi.gov>

House Bill 6206 as enrolled
Sponsor: Rep. Gary Howell

House Bill 6207 as enrolled
Sponsor: Rep. Roger Victory

House Bill 6212 as enrolled
Sponsor: Rep. Julie Calley

House Bill 6208 as enrolled
Sponsor: Rep. Julie Alexander

House Bill 6213 as enrolled
Sponsor: Rep. Tom Barrett

House Bills 6209 and 6210 as enrolled
Sponsor: Rep. Hank Vaupel

House Bill 6214 as enrolled
Sponsor: Rep. Ben Frederick

House Bill 6211 as enrolled
Sponsor: Rep. Jason Wentworth

House Bill 6216 as enrolled
Sponsor: Rep. Triston Cole

Committee: Agriculture
Complete to 2-11-19

(Vetoed by the Governor 12-28-18)

SUMMARY:

House Bill 6205 would amend the Animal Industry Act to clarify and reorganize many of its provisions. (See also **Senate Substitutes**, below.) Briefly, the bill would do all of the following:

- Move several definitions from various sections within the act to the definitions section at the beginning of the act.
- Amend existing definitions, remove outdated or unnecessary definitions, and create new definitions to reflect current standards and laws.
- Replace “livestock” with “animal” in several provisions throughout the act, particularly those that deal with the importation of animals into the state, the inspection of animals for disease, and the exhibition of animals.
- Add references to the Large Carnivore Act (Public Act 274 of 2000) and Wolf-Dog Cross Act (Public Act 246 of 2000).
- Move several provisions from various sections within the act to other sections within the act, to consolidate, for example, provisions regarding fines and penalties, or those that deal with the authority of the director of the Michigan Department of Agriculture and Rural Development (MDARD).
- Rearrange provisions relating to MDARD’s ability to utilize a law enforcement agency, bovine tuberculosis and chronic wasting disease oversight, and zoning requirements.
- Require the director of MDARD to notify the governor if it is determined that a disease or condition in animals in this state poses an extraordinary emergency to the animal industry, public health, or human food chain. The determination and subsequent notification would trigger processes and procedures, including allowing MDARD to develop, implement, and enforce scientifically based orders.

- Require the director of MDARD to act in consultation with the director of the Department of Health and Human Services (DHHS) in the event of an extraordinary emergency that causes a significant impact on public health.
- Remove references to genetically engineered variant when referring to species having the potential to spread diseases or cause other serious harm.
- Require that all cattle bear official identification unless their first destination point is an approved tagging site. A tattoo would not be a sufficient tag, and persons would be prohibited from removing or altering a tag nor misrepresent an animal's identification or ownership.
- Align Michigan law with the federal regulations for official identification under 9 CFR Part 86.
- Update MDARD's ability to seize or destroy animals based on new biosecurity practices.
- Rearrange and create provisions allowing MDARD to require movement controls for the movement of animals within Michigan, and require owners of cervids to notify MDARD within 5 business days of the movement of privately owned cervids.
- Add general surveillance testing provisions, as well as surveillance testing provisions for the equine industry and privately owned cervids, and definitions for the implementation of the testing.
- Move the authority for the state veterinarian and require that the state veterinarian serve as the authority for animal welfare oversight on livestock-related issues.
- Add that the state veterinarian could require reporting to MDARD of importation and use of veterinary biologicals or biological agents, and could restrict the use of certain veterinary biologicals to veterinarians when the disease of biological involved has a substantial impact on public or animal health or the animal industry.
- Add required information when exporting animals from Michigan and exclude the Department of Natural Resources (DNR) from importation requirements of potentially diseased species.
- Update the requirements for exhibition facilities for animals, including carnivals and fairs.
- Add requirements regarding live bird markets, which would also apply to poultry imported to and housed at a live bird market. Separate requirements would have to be followed for persons housing baby poultry for sale to individuals for personal use.
- Update numerous sections to reflect the above-described changes.
- Repeal a number of sections whose provisions are either no longer relevant or have been moved to another section in the act.

The bill would take effect 90 days after enactment.

MCL 287.701 et al.

House Bills 6206 through 6214 and 6216 would amend various other acts to update their provisions to account for the Animal Industry Act changes described above. In general, the bills would amend citations of the Animal Industry Act to reflect the change in the Animal Industry Act's MCL number range or the movement of definitions or other provisions to different sections of the Act.

Specifically, the following acts would be amended to update references to the Animal Industry Act, as described above:

- Wildlife Depredations Indemnification Act (HB 6206)

- Agricultural Commodities Marketing Act (HB 6207)
- Public Act 284 of 1937, regarding the licensing of livestock dealers (HB 6208)
- Michigan Penal Code (HB 6209—also see **Senate Substitutes**, below)
- Code of Criminal Procedure (HB 6210)
- Wolf-Dog Cross Act (HB 6211)
- Public Act 358 of 1994, regulating the possession of ferrets (HB 6212)
- General Property Tax Act (HB 6213)
- Large Carnivore Act (HB 6214)
- Michigan Aquaculture Development Act (HB 6216)

All of the bills are tie-barred to HB 6205, which means that none could take effect unless HB 6205 were enacted. Each bill would take effect 90 days after enactment.

FISCAL IMPACT:

Section 1 of the Animal Industry Act currently states that the intention of the act is “to protect the health, safety, and welfare of humans and animals, consistent with applicable federal and state laws.”

The Animal Industry Act directs the MDARD director to appoint an individual as state veterinarian as the state’s chief animal health officer. The act defines the responsibilities and authority of the MDARD director, the state veterinarian, and the department generally under the act.

The department’s responsibilities under the Animal Industry Act are carried out primarily by the Animal Industry Division, headed by the state veterinarian. These activities are funded through an appropriation line item, *Animal disease prevention and response*, in the department’s budget. The FY 2018-19 appropriation for the line item is \$9.4 million gross, of which \$8.5 million is appropriated from the state general fund. The department indicates that the bovine TB containment/eradication program accounts for approximately half of Animal Industry Division program activity.

As described in the body of this analysis, House Bill 6205 is primarily a reorganization of the current Animal Industry Act. MDARD has indicated that the bill will not materially alter the department’s authority and responsibilities under the act. As a result, the bill does not appear to have a material fiscal impact on the state or on local units of government.

House Bill 6205 does make a change to Section 14 of the act related to appropriations for indemnification for animals ordered slaughtered, destroyed, or disposed of as a result of livestock disease or toxicological contamination. Section 14(5) currently authorizes MDARD to provide for indemnification, not to exceed \$100,000 per order, from any line item in the department’s budget. Currently, indemnification in excess of \$100,000 per order effectively requires a specific appropriation by the legislature. House Bill 6205 does not require a specific appropriation for indemnification, regardless of the amount of the indemnification; as long as the department had sufficient spending authority within appropriation line items, it would not have to request a specific appropriation for indemnification payments.

In addition, House Bill 6205 would eliminate current reporting requirements. Section 14(11) of the act currently requires that the MDARD director make a written report to the House and

Senate standing committees with jurisdiction over on agricultural and farming issues on the amount expended by the department on bovine TB eradication in the prior fiscal year, an explanation of the expenditures, and the status of bovine TB eradication efforts in Michigan. The report is required not less than annually, within 60 days of the close of the state fiscal year. Section 14(12) establishes similar bovine TB expenditure reporting requirements for the director of the Michigan Department of Natural Resources.

House Bills 6206 through 6214 and 6216 would update references to the Animal Industry Act and would have no impact on state or local costs or revenues.

SENATE SUBSTITUTES:

The Senate passed, and the House concurred in and enrolled, Senate substitutes for several bills in the package (specifically, HBs 6205, 6206, 6208, 6209, 6212, 6213, and 6216). Many of these substitutes included changes of a technical nature or incorporated provisions from other enrolled bills so as to avoid conflicts that might arise between multiple amendments of the same section of law. Of note, House Bill 6209 as enrolled contained provisions from Enrolled House Bill 4332 concerning animal abuse and neglect.¹ House Bill 6205 as enrolled contained language more specifically delineating the applicability of certain provisions and the authority and responsibilities of certain state and interested private entities. More notably, House Bill 6205 as enrolled contained the substantive provisions of Enrolled Senate Bill 600 concerning egg-laying hens and the sale of eggs in this state.²

Vetoed 12-28-18:

In his veto message for House Bill 6205, Governor Snyder wrote: “While my administration supported several provisions in this legislation, language was added at the last minute which I already vetoed in Senate Bill 660. For these reasons, and despite the fact that there are many positive policies in this legislation, I am vetoing it for the same reasons I vetoed Senate Bill 660.”

(In his veto message for Senate Bill 660, Governor Snyder had noted that “[t]he body of research into hen health and egg safety does not provide a clear indication that any one type of hen housing impacts egg safety more than another.” He argued that, in the absence of such findings, the bill’s “proposed mandate that all shell eggs sold in Michigan be produced under systems compliant with Michigan law appears to be intended to protect Michigan shell egg producers from being undercut by competition in the future.” He concluded that “[e]stablishing housing and production standards for non-Michigan firms selling eggs in Michigan under the pretext that traditional housing for laying hens leads to increased exposures to unsafe pathogens is incorrect” and that the bill, if enacted, “would set an inappropriate precedent for the future of animal agriculture in Michigan.”)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

¹ See <http://legislature.mi.gov/doc.aspx?2017-HB-4332>

² See the House Fiscal Agency summary at <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-0660-940D98C7.pdf>