



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



Telephone: (517) 373-5383  
Fax: (517) 373-1986

Senate Bill 174 (Substitute S-2 as reported)  
Senate Bills 179 and 180 (as reported without amendment)  
Senate Bills 181 and 182 (Substitute S-1 as reported)  
Senate Bill 183 (as reported without amendment)  
Senate Bill 361 (as reported without amendment)  
Sponsor: Senator Kevin Daley (S.B. 174)  
          Senator Roger Victory (S.B. 179)  
          Senator Dan Lauwers (S.B. 180 & 181)  
          Senator Ed McBroom (S.B. 182 & 183)  
          Senator Jim Ananich (S.B. 361)

Committee: Agriculture

### **CONTENT**

Senate Bill 174 (S-2) would amend the Animal Industry Act to do the following:

- Add, revise, and eliminate various terms and definitions.
- Allow the Director of the Department of Agriculture and Rural Development (MDARD) to develop, implement, and enforce a scientifically based extraordinary emergency order if he or she determined that a delayed response to a reportable animal disease would cause a significant impact on animals, animal industry, or public health.
- Authorize the Director to develop, implement, and enforce scientifically based orders, such as requirements for testing or animal or premises identification, that would have to be completed before the movement of animals from or between premises in Michigan.
- Authorize the State Veterinarian to serve as the authority for animal welfare oversight on livestock-related matters, and to maintain requirements for the importation of animals into the State.
- Prescribe additional requirements for the importation, distribution, and use of veterinary biologicals for experimental or field trial purposes.
- Specify that State employees could not divulge to an unauthorized person medical or epidemiological information that identified the owner of an animal that was gathered by MDARD in connection with a reportable animal disease.
- Eliminate certain provisions pertaining to bovine tuberculosis (TB) testing.
- Specify that a requirement that all cattle must bear official identification before they leave a premises would apply unless the first point of destination was a tagging agreement site approved by the Director.
- Specify that the Director could require movement controls for the movement of animals within the State to prevent or control a specific reportable animal disease.
- Modify the requirements for intrastate movement of privately owned cervids.
- Require an owner of live privately owned cervids to notify MDARD of certain information within five days of a movement from one premises to another within Michigan.
- Increase amounts prescribed for indemnification in the event animals were destroyed because of a reportable animal disease or toxicological contamination.
- Require a privately owned cervid premises licensed under the Privately Owned Cervidae Producers Marketing Act to participate in the chronic wasting disease (CWD) herd certification program.

- Require livestock imported into Michigan to meet certain Federal regulations for official identification.
- Prescribe additional requirements for exhibition facilities, the presence of veterinarians at fairs and exhibitions, and the exhibition of poultry.
- Prescribe requirements for live bird markets.
- Prohibit a farm owner or operator from tethering or confining an egg-laying hen in an enclosure other than a cage-free housing system or with less than the amount of usable floor space per hen as provided in the United Egg Producer's housing guidelines for cage-free egg production.
- Prohibit a business owner from knowingly selling an egg that was the product of a farm with 3,000 or more egg-laying hens if the owner knew or should have known that the egg was produced by a hen that was confined in violation of the egg-laying hen confinement standards, beginning December 31, 2025.
- Replace certain references to "animals" with references to "livestock".
- Reorganize various provisions of the Act.

Senate Bill 174 (S-2) also would repeal Sections 4, 5, 6, 8, 10, 13, 13a, 15, 16, 17a, 23, 24, 24a, 26a, 27, 28, 29, 29a, 30, 30a, 30b, 30c, 30d, 32, 33, 35, and 41 of the Act. (Many of these sections would be recodified, in whole or in part, throughout the bill. Others, including Sections 13a (terminal operations), 16 (branding of livestock for destruction), 24 (identification of nonnative cattle), 24a (placement of nonnative cattle), 27 through 30 (importation of sheep, goats, new world camelids, aquaculture, and poultry), and 32 (importation of San Juan rabbits) would be eliminated.)

Senate Bill 179 through Senate Bill 183 and Senate Bill 361 would amend various acts to update Michigan Compiled Laws references to the Animal Industry Act to reflect the changes proposed by Senate Bill 174 (S-2).

Senate Bill 179 would amend the Agricultural Commodities Marketing Act. Senate Bill 180 would amend the Code of Criminal Procedure. Senate Bill 181 (S-1) would amend the Michigan Penal Code. Senate Bill 182 (S-1) would amend the Wildlife Depredations Indemnification Act. Senate Bill 183 would amend the Wolf-Dog Cross Act. Senate Bill 361 would amend the Michigan Fireworks Safety Act.

Senate Bills 179 through 183 and Senate Bill 361 are tie-barred to Senate Bill 174.

MCL 287.701 et al. (S.B. 174)  
 290.652 (S.B. 179)  
 777.12m (S.B. 180)  
 750.50 & 750.50b (S.B. 181)  
 285.362 & 285.363 (S.B. 182)  
 287.1002 (S.B. 183)  
 28.462 (S.B. 361)

Legislative Analyst: Jeff Mann

## **FISCAL IMPACT**

Senate Bill 174 (S-2) would have a minor fiscal impact on State and local government. The bill mostly would provide for reorganization and updates for the MDARD's authority and responsibilities under the Animal Industry Act, operationalized under MDARD's Animal Industry Division, funded under Public Act 65 of 2019 (budget bill appropriations for MDARD) at a gross amount of \$9.8 million for fiscal year (FY) 2019-20, which includes a General Fund amount of \$9.0 million (approximately \$4.8 million of which is appropriated for activities related to the control and response to bovine TB).

The cervid program currently is funded via the General Fund, noted above, and costs are approximately \$300,000, which covers 2.0 FTEs in the office plus 0.6 FTE in the field, as well as supplies and testing. The changes to the program proposed under the bill would involve all breeding herds joining the herd certification program, which would result in additional annual herd inventory reconciliations, all cervid movements requiring a permit, and all herds completing a TB test at least once every ten years. Currently, there are 90 herds in the certification program; that number expected to increase to 135. Department staff currently process 500 intrastate movement permits per year, with this volume expected to grow to 2,500. According to the Department, the increase in work responsibilities proposed under the bill cannot be absorbed with existing staff, and would require an additional 1.0 office FTE at an annual cost of approximately \$80,000 in salary, wages, and benefits. Field work requirements are not anticipated to increase appreciably. Other fiscal impacts related to livestock animal welfare are anticipated to be managed within current appropriations.

The bill also would amend Section 14(5) of the Act, which pertains to appropriations for indemnification for animals ordered slaughtered, destroyed, or disposed of as a result of livestock disease or toxicological contamination. That section currently authorizes MDARD to provide for indemnification, not to exceed \$100,000 per order, from any line item in the Department's budget. Indemnification that exceeds \$100,000 per order requires a specific appropriation by the Legislature. The bill would eliminate this requirement and would not require a specific appropriation for indemnification, regardless of the amount of the indemnification. This would depend, of course, on the existence of sufficient spending authority within appropriation line items.

Senate Bills 179 through 183 and 361 would have no fiscal impact on State or local government.

Date Completed: 10-22-19

Fiscal Analyst: Bruce Baker