

HOUSE BILL No. 5859

March 14, 2006, Introduced by Reps. Nitz, Schuitmaker, Proos, Baxter, Mayes, Sheltroun, Casperson and Emmons and referred to the Committee on Agriculture.

A bill to amend 1988 PA 466, entitled
"Animal industry act,"
by amending section 14 (MCL 287.714), as amended by 2002 PA 458.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 14. (1) If the director determines that the control or
2 eradication of a disease or condition of livestock warrants entry
3 onto property where livestock or domestic animals are located, the
4 director shall order the entry onto property where livestock or
5 domestic animals are located and authorize seizure, slaughter,
6 destruction, or other disposition of individual livestock or
7 domestic animals or the entire herd, flock, or school. If the
8 director has signed an order for the slaughter, destruction, or
9 other disposition of livestock or domestic animals, **OR IF THE**

1 **DIRECTOR HAS SIGNED AN ORDER CONFIRMING THE LOSS OF LIVESTOCK OR**
2 **DOMESTIC ANIMALS DUE TO COUGAR DEPREDAATION,** the director shall
3 notify the attorney general and the house and senate appropriations
4 committees and the department of management and budget on the issue
5 of indemnity under this section. The director may approve
6 facilities and procedures for the orderly disposal of animals,
7 animal products, and animal feeds for the purpose of controlling or
8 preventing the spread of an infectious, contagious, or
9 toxicological disease. The director may select a site or method for
10 the disposal with the advice of the director of the department of
11 environmental quality.

12 (2) The director may, under rules promulgated by the
13 department, allow indemnification for the slaughter, destruction,
14 or other disposition of livestock or domestic animals due to
15 livestock diseases or toxicological contamination. If the director
16 has signed an order for the slaughter, destruction, or other
17 disposition of livestock or domestic animals, the owner may apply
18 for indemnification. The director shall appraise and inventory the
19 condemned livestock or domestic animals. The appraisals and
20 inventories shall be on forms approved by the director. The
21 director shall use agricultural pricing information from commercial
22 livestock or domestic animal auction markets and other livestock or
23 domestic animal market information as determined by the director to
24 determine the value of condemned livestock or domestic animals.

25 **(3) THE DIRECTOR MAY, UNDER RULES PROMULGATED BY THE**
26 **DEPARTMENT, ALLOW INDEMNIFICATION FOR THE LOSS OF LIVESTOCK OR**
27 **DOMESTIC ANIMALS DUE TO COUGAR DEPREDAATION. IF THE DIRECTOR HAS**

1 SIGNED AN ORDER CONFIRMING THE LOSS OF LIVESTOCK OR DOMESTIC
2 ANIMALS DUE TO COUGAR DEPREDATION, THE OWNER MAY APPLY FOR
3 INDEMNIFICATION. THE DIRECTOR SHALL APPRAISE AND INVENTORY THE
4 LIVESTOCK OR DOMESTIC ANIMALS. THE APPRAISAL AND INVENTORIES SHALL
5 BE ON FORMS APPROVED BY THE DIRECTOR. THE DIRECTOR SHALL USE
6 AGRICULTURAL PRICING INFORMATION FROM COMMERCIAL LIVESTOCK OR
7 DOMESTIC ANIMAL MARKET INFORMATION AS DETERMINED BY THE DIRECTOR TO
8 DETERMINE THE VALUE OF THE LIVESTOCK OR DOMESTIC ANIMALS.

9 (4) ~~-(3)-~~ Except as otherwise provided in subsection ~~-(5)-~~
10 (6), indemnification for individual livestock or domestic animals
11 within a herd, flock, or school shall be based upon 100% of the
12 fair market value of that type of livestock or domestic animal on
13 the date of the appraisal and marketable for the purpose for which
14 the livestock or domestic animal was intended, not to exceed
15 \$4,000.00 for each livestock or domestic animal. The appraisal
16 determination shall not delay the slaughter, destruction, or
17 disposition of the livestock or domestic animals. The
18 indemnification amount under this subsection shall include a
19 deduction for any compensation received, or to be received, from
20 any other source including, but not limited to, indemnification by
21 the United States department of agriculture, insurance, salvage
22 value, or any monetary value obtained to encourage disposal of
23 infected or exposed livestock or domestic animals in accordance
24 with a disease control or eradication program. The owner shall
25 furnish to the department all records indicating other sources of
26 indemnity. An affidavit signed by the owner attesting to the amount
27 of compensation for the livestock received or to be received from

1 any other source shall accompany the appraisal certificate before
2 indemnification under this section.

3 (5) ~~-(4)-~~ Except as otherwise provided in subsection ~~-(5)-~~
4 (6), indemnification for entire herd, flock, or school
5 depopulations of livestock or domestic animals shall be based upon
6 100% of the fair market value of that type of animal on the date of
7 the appraisal and marketable for the purpose for which the
8 livestock or domestic animal was intended, not to exceed an average
9 of \$4,000.00 per animal in the flock, herd, or school. The
10 appraisal determination shall not delay depopulation. The
11 indemnification amount under this section shall include a deduction
12 for any compensation received, or to be received, from any other
13 source including, but not limited to, indemnification by the United
14 States department of agriculture, insurance, salvage value, or any
15 monetary value obtained to encourage disposal of infected or
16 exposed livestock or domestic animals in accordance with a disease
17 control or eradication program. The owner shall furnish to the
18 department all records indicating other sources of indemnity. An
19 affidavit signed by the owner attesting to the amount of
20 compensation for the livestock or domestic animals received, or to
21 be received, from any other source shall accompany the appraisal
22 certificate prior to indemnification under this section.

23 (6) ~~-(5)-~~ The department may provide for indemnity pursuant to
24 this section not to exceed \$100,000.00 per order, from any line
25 item in the annual budget for the department in the applicable
26 fiscal year. Any agreement greater than \$100,000.00 entered into
27 between the department and an owner of livestock shall contain a

1 provision indicating that, notwithstanding the terms of the
2 agreement, indemnification shall be subject to specific
3 appropriations by the legislature and not be paid from department
4 funds.

5 (7) ~~-(6)-~~ Acceptance of compensation under this act
6 constitutes a full and complete release of any claim the owner has
7 against the state of Michigan, its departments, agencies, officers,
8 employees, agents, and contractors to the extent these persons were
9 acting on behalf of the state, within the scope of their employment
10 with the state or under the direction of the state, its
11 departments, agencies, officers, or employees, arising out of
12 testing, purchase, removal, slaughter, destruction, and other
13 disposition of the owner's animals.

14 (8) ~~-(7)-~~ The right to indemnity from the state for animals
15 condemned and ordered slaughtered, destroyed, or otherwise disposed
16 of by the director, **OR FOR COUGAR DEPREDACTION**, applies only to
17 native livestock and native domestic animals. Indemnification shall
18 not apply to livestock or domestic animals determined by the
19 department to be imported without meeting import requirements such
20 as official interstate health certificate or official interstate
21 certificate of veterinary inspection, required testing, required
22 vaccination, or for livestock or domestic animals determined by the
23 department to have been illegally moved within this state. An owner
24 is not entitled to indemnity from the state for an animal that
25 comes into the possession of the owner with the owner's knowledge
26 that the animal is diseased or is suspected of having been exposed
27 to an infectious, contagious, or toxicological disease. In

1 addition, the director shall not indemnify an owner for animals
2 that have been exposed to an animal that comes ~~in to~~ **INTO** the
3 possession of the owner with the owner's knowledge that the animal
4 is diseased or is suspected of having been exposed to an
5 infectious, contagious, or toxicological disease.

6 (9) ~~(8)~~ A premises that has been depopulated shall be
7 cleaned and disinfected as prescribed by the director.

8 (10) ~~(9)~~ Repopulation of the premises, except as approved by
9 the director, shall not confer eligibility for future indemnity
10 under this section.

11 (11) ~~(10)~~ The department may cooperate and coordinate with
12 the secretary of the United States department of agriculture or the
13 secretary's authorized representative or other governmental
14 departments or agencies regarding indemnification under this
15 section.

16 (12) ~~(11)~~ Not less than annually, within 60 days after the
17 close of the fiscal year, the director shall ~~make a written~~
18 **SUBMIT A** report to the standing committees of the house of
19 representatives and senate having jurisdiction on agricultural and
20 farming issues. The report ~~will~~ **SHALL** include the following:

21 (a) The amount expended by the department for bovine
22 tuberculosis eradication during the preceding fiscal year.

23 (b) An explanation of the expenditures made by the department
24 for bovine tuberculosis eradication during the preceding fiscal
25 year.

26 (c) The status of bovine tuberculosis eradication efforts in
27 Michigan.

1 (13) ~~-(12)-~~ Not less than annually, within 60 days after the
2 close of the fiscal year, the director of the department of natural
3 resources shall ~~make a written~~ **SUBMIT A** report to the standing
4 committees of the house of representatives and senate having
5 jurisdiction ~~on~~ **OVER** agricultural and farming issues. The report
6 ~~will~~ **SHALL** include the following:

7 (a) The amount expended by the department of natural resources
8 for bovine tuberculosis eradication during the preceding fiscal
9 year.

10 (b) An explanation of the expenditures made by the department
11 of natural resources for bovine tuberculosis eradication during the
12 preceding fiscal year.

13 (14) **NOT LESS THAN ANNUALLY, WITHIN 60 DAYS AFTER THE CLOSE OF**
14 **THE FISCAL YEAR, THE DIRECTOR SHALL SUBMIT A REPORT TO THE STANDING**
15 **COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE HAVING**
16 **JURISDICTION OVER AGRICULTURAL AND FARMING ISSUES THAT INDICATES**
17 **THE AMOUNT EXPENDED BY THE DEPARTMENT AND ANY OTHER FEDERAL OR**
18 **STATE AGENCY OR DEPARTMENT FOR INDEMNIFICATION OF LIVESTOCK AND**
19 **DOMESTIC ANIMALS DUE TO COUGAR DEPREDATION DURING THE PRECEDING**
20 **FISCAL YEAR.**

21 (15) **AS USED IN THIS SECTION, "COUGAR" MEANS PUMA CONCOLOR AND**
22 **ANY OF ITS SUBSPECIES.**