



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4451 (Substitute H-1 as passed by the House)
Sponsor: Representative Nancy E. Jenkins
House Committee: Appropriations
Senate Committee: Appropriations

Date Completed: 5-26-15

CONTENT

The bill would amend the Michigan Commercial Feed Law, which is administered by the Michigan Department of Agriculture and Rural Development (MDARD), to do the following:

- Rename the act the "Feed Law" and clarify who is required to obtain a commercial feed license.
- Increase the license fee for manufacturers and distributors of commercial feed from \$25 to \$100, except for manufacturers and distributors dealing in containers of five pounds or less.
- Modify labeling requirements.
- Establish a tonnage inspection fee of \$0.30 per ton for commercial feed and \$0.15 per ton for ingredients that are manufacturing by-products with a moisture content of 60% or more, which would replace the current fee of \$0.13 per ton.
- Increase the late payment of tonnage inspection fees up to \$50 or 10% of the amount owed, whichever was greater, replacing the current fee of 10% of what is owed.
- Expand inspection authority to include vehicles and other transports, establish standards of sampling and analysis, clarify and expand activities that are prohibited under the Law, and allow the MDARD Director to issue administrative rules to enforce the Law and to take certain actions to facilitate continued access to markets for feed and feed ingredients.
- Provide for the preemption of local ordinances that duplicate, extend, revise, contradict, or conflict with any provision of the Law, with limited exceptions
- Establish the "Feed Control Fund", into which fees would have to be deposited.

MCL: 287.521 et al.

FISCAL IMPACT

The bill would have a positive fiscal impact on the FY 2015-16 budget for MDARD. Built into the budget as recommended by the Governor is increased net revenue from the fees adjusted in the bill for the Commercial Feed Inspection Program of \$521,400 restricted, with a projected \$78,750 increase coming from license fee increases and \$442,650 from increases in tonnage fees.

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.