

Legislative Analysis



AGRICULTURAL TOURISM ADVISORY COMMISSION

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Senate Bill 225 (Substitute H-2)

Sponsor: Sen. Cameron S. Brown

House Committee: Agriculture

Senate Committee: Agriculture, Forestry and Tourism

First Analysis (5-18-05)

BRIEF SUMMARY: The bill would establish the Agricultural Tourism Zoning Advisory Commission within the Department of Agriculture to assess local zoning ordinances and their impact on agricultural tourism.

FISCAL IMPACT: The bill could result in increased costs to the state for the reimbursement of commission members' expenses. These costs would have to be covered by existing departmental appropriations.

THE APPARENT PROBLEM:

The state's numerous farm markets, u-pick operations, cider mills, and wineries play an increasingly important role in state's agricultural and tourism industries, contributing several millions of dollars in economic activity to the state each year. The Department of Agriculture's 2004-2005 Michigan Farm Market, U-Pick & Ag Tourism Directory lists over 300 farm markets, farmers' markets, and U-pick farms built on the state's diverse selection of agricultural commodities, including Christmas trees, maple syrup, and apples. Agricultural tourism also includes many seasonal and family activities, such as hayrides, corn mazes, and petting farms.

In recent years, the state's agricultural tourism industry has grown dramatically. However, these agricultural tourism enterprises blur the line between a strictly agricultural operation, such as traditional crop production, and a more entrepreneurial business enterprise, which presents certain problems with how they are treated under the law. Reportedly, many agricultural tourism enterprises in rural areas of the state of been burdened with certain zoning restrictions, which have inhibited the expansion of these farming operations into new markets. It has been suggested that a commission be established to identify barriers to agricultural tourism and recommend ways foster the development of agricultural tourism enterprises.

THE CONTENT OF THE BILL:

The bill would create a new act to establish the Agricultural Tourism Zoning Advisory Commission within the Department of Agriculture. "Agricultural tourism" would be defined as the practice of visiting an agribusiness, horticultural, or agricultural operation, including farms, wineries, or companion animal or livestock shows, for the purpose of recreation, education, or active involvement in the operation.

The commission would consist of nine members appointed by the director of the department: four representing agricultural tourism enterprises; two representing local government; one representing Travel Michigan; one representing a convention bureau, visitors bureau, or chamber of commerce in a rural area; and one representing the department. Members would have to be appointed within 60 days of the bill's effective date and would serve for the life of the commission. Members would serve without compensation, though they would be reimbursed for actual expenses incurred in the performance of their duties as members of the commission. The commission would be subject to the Open Meetings Act and the Freedom of Information Act.

Within two years of the bill's effective date, the commission would have to submit to the governor and the appropriate legislative standing committees a report concerning the following: (1) a discussion of the effects of local zoning on agricultural tourism, (2) model local zoning ordinance provisions to promote agricultural tourism, (3) recommendations concerning the use of logo signage to promote agricultural tourism, (4) recommendations for other measures to promote and remove barriers to agricultural tourism, and (5) any other recommendations concerning agricultural tourism. In addition, the commission would be charged with undertaking various studies necessary for the report.

The act would be repealed two years after the bill's effective date

HOUSE COMMITTEE ACTION:

The House Committee on Agriculture adopted a Substitute H-2 that makes three changes to the bill as it passed the Senate. The substitute expanded the membership of the commission from seven to nine by increasing from three to four the number of members representing agricultural tourism enterprises and by adding a member representing a convention bureau, visitors bureau, or chamber of commerce in a local area. The substitute also extended the time in which the commission must submit its report to the governor and legislature from one year and 60 days after the bill's effective date to two years after the bill's effective date. Finally the substitute extended the sunset date for the bill from one year and 90 days after the bill's effective date to two years after the bill's effective date.

BACKGROUND INFORMATION:

Since 1979, the Department of Agriculture has provided a directory of farm markets, u-pick farms, and other agricultural tourism businesses. The 2004-2005 Michigan Farm Market, U-Pick & Ag Tourism Directory includes business names and contact information, directions, operational hours, and a description of products and services available. The directory is available at welcome centers, local visitors and convention bureaus, Michigan State University county extension offices, and other places. It is also made available on the department's Internet website – <http://www.michigan.gov/mda> - where visitors can search by region, city, farm name, or crop type. To be included in the

current edition, which covers 2004 and 2005, businesses had to provide the necessary information and pay a \$75 fee to the department. The cost of printing and distributing the publication is supported, in part, by a grant from the U.S. Department of Agriculture's Rural Development office.

ARGUMENTS:

For:

The bill establishes a commission to study the impact of local zoning ordinances on agricultural tourism businesses. In many instances, local zoning ordinances can restrict the activities taking place on the farm, the location of a farm market, or the location of crucial signage directing visitors to the business. These zoning restrictions may become more apparent as these types of agricultural operations expand and develop in more urbanized areas where conflicting land uses are likely to occur and prevent the development of a business venture that better sustains the profitability of farming operations and preserves farmland and open space in the state. Agricultural tourism is fast becoming an important part of the state's agricultural and tourism industries, and efforts must be made to ensure the development of the industry.

Response:

The Department of Agriculture testified that while it can perform its duties as required by the bill, it would need additional financial support to do so.

POSITIONS:

The Michigan Townships Association supports the bill. (5-17-05)

The Michigan Association of Purebred Dogs testified in support of the bill. (5-3-05)

The Michigan Hunting Dog Federation testified in support of the bill. (5-3-05)

The United Kennel Club testified in support of the bill. (5-3-05)

The Department of Agriculture is neutral on the bill. (5-17-05)

Legislative Analyst: Mark Wolf

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