

COUGAR DEPREDATION INDEMNIFICATION

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House Bill 5859

Sponsor: Rep. Neal Nitz

Committee: Agriculture

Complete to 3-20-06

A SUMMARY OF HOUSE BILL 5859 AS INTRODUCED 3-14-06

The bill would amend the Animal Industry Act to permit the director of the Department of Agriculture to provide indemnification for the loss of livestock or domestic animals due to cougar depredation. An owner could apply for indemnity upon the issuance of an order by the director confirming a loss due to cougar depredation. As with other indemnification provided for under the act, the value of the animal would be its fair market value, based on pricing information from the commercial livestock and domestic animal markets.

The bill would also require the director to notify the House and Senate Appropriations committee and the Department of Management and Budget if he or she signs an order confirming the loss of livestock or domestic animals due to cougar depredation, and annually submit a report to the House and Senate Agriculture committees detailing the amount expended by the MDA and any other state or federal agency for the indemnification of livestock or domestic animals due to cougar depredation during the previous fiscal year.

The act defines "domestic animal" to mean those species of animals that live under the husbandry of humans, and "livestock" to mean those species of animals used for human food and fiber or those species of animals used for service to humans including, but not limited to, cattle, sheep, new world camelids (i.e., llamas and alpacas), goats, bison, privately owned services, ratites, swine, equine, poultry, aquaculture, and rabbits, but not including dogs and cats.

[NOTE: Among other things, the Animal Industry Act permits the director of the Department of Agriculture to order the seizure and destruction of livestock and domestic animals if necessary to control or eradicate a disease or other condition. The act then allows for indemnification for livestock or domestic animals ordered destroyed by the director. Currently, under the act, the maximum indemnification amount is \$4,000 per animal and \$100,000 per order. However, an order may exceed \$100,000, contingent on specific appropriation by the legislature.]

MCL 287.714

FISCAL IMPACT:

Boilerplate language in annual Department of Agriculture appropriations acts direct the department to make an indemnification payment for livestock killed by wolves and coyotes. The current year language is found in Section 212(2) of Public Act 148 of 2005.

The department indicates that in FY 2004-05 it paid \$22,000 in indemnification payments for livestock killed by wolves or coyotes. The Michigan Department of Natural Resources subsequently reimbursed the Department of Agriculture for those payments.

The fiscal impact of House Bill 5859 cannot be readily determined. It would depend on the livestock which could be verified as killed by cougars, and the fair market value of the livestock.

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■ 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.