

Legislative Analysis



REPEAL REGISTRATION OF FARM NAMES

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House Bill 4663 as reported without amendment

Sponsor: Rep. Ben Glardon

Committee: Agriculture

First Analysis (10-19-11)

BRIEF SUMMARY: House Bill 4663 would repeal Public Act 35 of 1941, which provides a framework for the voluntary registration of farm names.

FISCAL IMPACT: House Bill 4663 has no apparent fiscal impact on state or local government.

THE APPARENT PROBLEM:

Public Act 35 of 1941 allowed land owners to voluntarily register their farm names with the Department of Agriculture. The act prohibited farms in the same county from operating under the same name and provided penalties for a farm that used a name that was not registered to the farm. While the registration was not mandatory, it was particularly useful for many different organizations as a way to keep track of membership. It also served as an identifier to the public for many farms. Over time it became less and less common for farm owners to register the names of their farms, partly because they received no benefit for doing so. According to committee testimony, the Michigan Department of Agriculture and Rural Development (MDARD) stopped recording farm names in 2004. This bill is an attempt to clean up unused statutes and remove an act that is no longer in use.

THE CONTENT OF THE BILL:

House Bill 4663 would repeal Public Act 35 of 1941, which provides a framework for voluntarily registering farm names.

The provisions of PA 45 of 1941 are contained below.

- Farm owners may have the name of their farms, combined with the legal description, recorded and kept by the Office of the Commissioner of Agriculture. The Commissioner is required to provide a certificate recognizing the name and legal description of the land.
- If two or more farm owners apply for registration under the same name, the Commissioner would require all applications to submit proof as to who began the use of the farm name first. If no satisfactory proof is submitted, the Commissioner has authority to not grant the farm name to either party.
- \$1 recording fee for recording a farm name
- Registered farm names are transferred upon the transfer of a title. However, if only a portion of the farm is transferred the name remains with the original land owner unless stated otherwise in the conveyance. The transfer of a registered farm

name can be done by application to the Agriculture Commissioner and payment of the \$0.50 (fifty cents) fee.

- Registered farm names can be canceled for \$0.50 (fifty cents).
- All applications for registration must be acknowledged under oath and must be executed before two witnesses.
- All funds generated are credited to the General Fund.
- Provides a penalty for using a registered name by someone other than the farm owner.

MCL 285.101 to 285.108

ARGUMENTS:

For:

MDARD has not been registering farm names for a number of years, so this bill eliminates a statute that is no being utilized. It was noted during testimony that the fee structure in the bill would not be adequate to cover administrative costs with administering the program. It was estimated the \$1 application fee in 1941 would be equivalent to \$15.41 today.

Response:

There was no opposition at the committee level. However, there was a concern as to what would happen to the official registry book maintained by MDARD. It was recommended the book be donated to the Library of Michigan or another entity that could properly maintain it.

POSITIONS:

The Michigan Department of Agriculture and Rural Development testified in support of the bill. (10-5-11)

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