

SENATE BILL No. 208

March 2, 2011, Introduced by Senator HUNE 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 **ISSUE AN** order ~~the entry onto~~ **AUTHORIZING A PERSON**
5 **TO ENTER THE** property ~~where livestock or domestic animals are~~
6 ~~located and authorize seizure, slaughter, destruction, SEIZE,~~
7 **SLAUGHTER, DESTROY, or other disposition OTHERWISE DISPOSE** of
8 individual livestock or domestic animals or the entire herd, flock,
9 or school. If the director has signed an order for the slaughter,

1 destruction, or other disposition of livestock or domestic animals,
2 the director shall notify the attorney general and the house and
3 senate appropriations committees and the department of **TECHNOLOGY**,
4 management, and budget on the issue of indemnity under this
5 section. The director may approve facilities and procedures for the
6 orderly disposal of animals, animal products, and animal feeds for
7 the purpose of controlling or preventing the spread of an
8 infectious, contagious, or toxicological disease. The director may
9 select a site or method for the disposal with the advice of the
10 director of the department of environmental quality.

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

26 (3) Except as otherwise provided in subsection (5),
27 indemnification for individual livestock or domestic animals within

1 a herd, flock, or school shall be based upon 100% of the fair
2 market value of that type of livestock or domestic animal on the
3 date of the appraisal and marketable for the purpose for which the
4 livestock or domestic animal was intended. ~~, not to exceed~~
5 ~~\$4,000.00 for each livestock or domestic animal.~~ The appraisal
6 determination shall not delay the slaughter, destruction, or
7 disposition of the livestock or domestic animals. The
8 indemnification amount under this subsection shall include a
9 deduction for any compensation received, or to be received, from
10 any other source including, but not limited to, indemnification by
11 the United States department of agriculture, insurance, salvage
12 value, or any monetary value obtained to encourage disposal of
13 infected or exposed livestock or domestic animals in accordance
14 with a disease control or eradication program. The owner **OF THE**
15 **LIVESTOCK OR DOMESTIC ANIMALS** shall furnish to the department all
16 records indicating other sources of indemnity. An affidavit signed
17 by the owner attesting to the amount of compensation for the
18 livestock received or to be received from any other source shall
19 accompany the appraisal certificate **AND SHALL BE SUBMITTED** before
20 indemnification **IS PAID** under this section.

21 (4) Except as otherwise provided in subsection (5),
22 indemnification for entire herd, flock, or school depopulations of
23 livestock or domestic animals shall be based upon 100% of the fair
24 market value of that type of animal on the date of the appraisal
25 and marketable for the purpose for which the livestock or domestic
26 animal was intended. ~~, not to exceed an average of \$4,000.00 per~~
27 ~~animal in the flock, herd, or school.~~ The appraisal determination

1 shall not delay depopulation. The indemnification amount under this
2 section shall include a deduction for any compensation received, or
3 to be received, from any other source including, but not limited
4 to, indemnification by the United States department of agriculture,
5 insurance, salvage value, or any monetary value obtained to
6 encourage disposal of infected or exposed livestock or domestic
7 animals in accordance with a disease control or eradication
8 program. The owner **OF THE LIVESTOCK OR DOMESTIC ANIMALS** shall
9 furnish to the department all records indicating other sources of
10 indemnity. An affidavit signed by the owner attesting to the amount
11 of compensation for the livestock or domestic animals received, or
12 to be received, from any other source shall accompany the appraisal
13 certificate ~~prior to~~ **AND SHALL BE SUBMITTED BEFORE** indemnification
14 **IS PAID** under this section.

15 (5) The department may provide for indemnity pursuant to this
16 section not to exceed \$100,000.00 per order, from any line item in
17 the annual budget for the department in the applicable **STATE** fiscal
18 year. Any agreement greater than \$100,000.00 entered into between
19 the department and an owner of livestock **OR DOMESTIC ANIMALS** shall
20 contain a provision indicating that, notwithstanding the terms of
21 the agreement, indemnification shall be subject to specific
22 appropriations by the legislature and not be paid from department
23 funds.

24 (6) Acceptance of compensation under this act constitutes a
25 full and complete release of any claim the owner has against the
26 state of Michigan, its departments, agencies, officers, employees,
27 agents, and contractors to the extent these persons were acting on

1 behalf of the state, within the scope of their employment with the
2 state or under the direction of the state, its departments,
3 agencies, officers, or employees, arising out of testing, purchase,
4 removal, slaughter, destruction, and other disposition of the
5 owner's animals.

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

25 (8) A premises that has been depopulated shall be cleaned and
26 disinfected as prescribed by the director.

27 (9) Repopulation of the premises, except as approved by the

1 director, shall not confer eligibility for future indemnity under
2 this section.

3 (10) The department may cooperate and coordinate with the
4 secretary of the United States department of agriculture or the
5 secretary's authorized representative or other governmental
6 departments or agencies regarding indemnification under this
7 section.

8 (11) ~~Not less than annually, within~~ **WITHIN** 60 days after the
9 close of the ~~EACH STATE~~ fiscal year, the director shall ~~make~~ **SUBMIT**
10 a written report to the standing committees of the house of
11 representatives and senate having jurisdiction on agricultural and
12 farming issues. The report ~~will~~ **SHALL** include **ALL OF** the following:

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

15 (b) An explanation of the expenditures made by the department
16 for bovine tuberculosis eradication during the preceding fiscal
17 year.

18 (c) The status of bovine tuberculosis eradication efforts in
19 Michigan.

20 (12) ~~Not less than annually, within~~ **WITHIN** 60 days after the
21 close of the ~~EACH STATE~~ fiscal year, the director of the department
22 of natural resources shall ~~make~~ **SUBMIT** a written report to the
23 standing committees of the house of representatives and senate
24 having jurisdiction on agricultural and farming issues. The report
25 ~~will~~ **SHALL** include **ALL OF** the following:

26 (a) The amount expended by the department of natural resources
27 for bovine tuberculosis eradication during the preceding fiscal

1 year.

2 (b) An explanation of the expenditures made by the department
3 of natural resources for bovine tuberculosis eradication during the
4 preceding fiscal year.