

MINIMUM SPACE FOR EGG-LAYING HENS: MOVE REQUIREMENT EFFECTIVE DATE

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House Bill 5987 (reported from committee w/o amendment)

Sponsor: Rep. Dan Lauwers

Committee: Agriculture

Complete to 11-14-16

Analysis available at
<http://www.legislature.mi.gov>

BRIEF SUMMARY: House Bill 5987 would amend Section 46 of the Animal Industry Act by extending the deadline from 2020 to 2025 for compliance with certain provisions relating to minimum space requirements for egg-laying hens. The bill would take effect 90 days after the date it is enacted into law.

FISCAL IMPACT AND BACKGROUND:

The bill would have no fiscal impact.

The Michigan Department of Agriculture and Rural Development (MDARD) has authority over administration and enforcement of the Animal Industry Act. When amendments to the Animal Industry Act in Public Act 117 of 2009 were enacted, the fiscal analysis indicated that enforcement of the new provisions would require two full-time equated positions and approximately \$80,000 in additional funding. Since enactment of PA 117, no additional money has been appropriated in MDARD budgets specifically for enforcements of the animal confinement provisions established in PA 117.

<http://legislature.mi.gov/doc.aspx?2009-HB-5127>

The provisions of PA 117 dealing with veal have been in effect since October 1, 2012. MDARD enforcement of PA 117 provisions related to veal operations have been funded through baseline appropriations for the department's Animal Industry Division. There are relatively few veal operations in Michigan.

The provisions of House Bill 5987 would make a minor change to the effective date of provisions regarding gestating sows – from March 31, 2020 to April 1, 2020. And the bill would extend the effective date of provisions regarding egg laying hens from March 31, 2020, to October 12, 2025. Because these provisions do not become effective until three or more years in the future, the department has not yet developed a work plan for administration and enforcement.

THE APPARENT PROBLEM:

According to testimony presented in committee, the cost to house egg-laying hens in compliance with the minimum space requirements in the Animal Industry Act is higher than the cost to produce eggs from caged hens, but the market is not ready to pay higher prices for cage-free hens. This means that the eggs sold from cage-free operations provide

a lower return on investment than the current caged production system. While egg producers testified that the market is moving toward cage-free eggs, the production contracts are not requiring that type of egg until 2025. Therefore, egg producers are requesting that the law be changed to synchronize with the start of these contracts.

THE CONTENT OF THE BILL:

Under the Animal Industry Act, a farm owner or operator cannot tether or confine any "covered animal" on a farm for all, or the majority of, any day in a manner that prevents that animal from either lying down, standing up, or fully extending its limbs, or turning around freely.

The term "covered animal" means "any gestating sow, calf raised for veal, or egg-laying hen that is kept on a farm."

- For egg-laying hens, the requirement is scheduled to take effect on March 31, 2020 (ten years after the effective date of the PA 117 of 2009, which added the requirement). The bill would move that date to October 12, 2025.
- For gestating sows, the requirement is scheduled to take effect on March 31, 2020 (ten years after the effective date of PA 117). The bill would change that date by one day, to April 1, 2020.
- For calves raised for veal, the requirement has been in effect since October 1, 2012. The bill does not change this, and removes the effective date provision since the date has passed.

These provisions do not apply to a covered animal during any of the following:

- Scientific or agricultural research.
- Examination, testing, individual treatment, or operation for veterinary purposes, by a person licensed to practice veterinary medicine under the Public Health Code.
- Transportation, unless otherwise in violation of section 51 of the Michigan Penal Code, relating to confining animals on railroad cars.
- Rodeo exhibitions, state or county fair exhibitions, 4-H programs, and similar exhibitions.
- The slaughter of a covered animal in accordance with applicable law and rules.
- For a gestating sow, the period beginning 7 days before that sow's expected date of giving birth.

ARGUMENTS:

For:

As stated above, egg producers say that while the market is developing for cage-free eggs, those eggs are not yet under contract and as a result, producers would suffer an adverse economic impact unless the cage-free egg requirements are not delayed until the contracts

that provide adequate prices go into effect in 2025. The bill would simply delay the requirements for five years.

Against:

Opponents of the bill argue that pushing back the compliance deadline will result in the animals living in inhumane conditions unnecessarily. Furthermore, they say, enough time was provided in the initial legislation to allow phasing in of the space requirement; if producers had started planning once it was enacted, they could have met the deadline currently in statute.

POSITIONS:

The following indicated support for HB 5987:

Michigan Department of Agriculture and Rural Development (11-9-16)
Farm Crest Foods (11-9-16)
Herbruck's Poultry Ranch (11-9-16)
Michigan Agribusiness Association (11-9-16)
Michigan Allied Poultry Industries (11-9-16)
Michigan Farm Bureau (11-9-16)

The following indicated opposition to the bill:

Michigan Humane Society (11-9-16)
Attorneys for Animals (11-9-16)
Animal Law Section of the State Bar of Michigan (11-9-16)

Legislative Analyst: Josh Roesner
Fiscal Analyst: William E. Hamilton

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