



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5227 (Substitute H-1 as reported without amendment)
Sponsor: Representative Roger Victory
House Committee: Agriculture
Senate Committee: Agriculture

CONTENT

The bill would enact the "Seed Potato Act" to do the following, beginning January 1, 2021:

- Require a person who distributed combined seed lots sufficient to plant one or more acres in the State to distribute only certified seeds potatoes, except under certain circumstances.
- Specify that all seed lots of seed potatoes required to be certified would have to be accompanied by certain documents, including an official tag or bulk certificate indicating their status as certified seed and a certificate of shipping point inspection.
- Specify that seed potatoes in combined seed lots sufficient to plant one or more acres could be planted only if the seed potatoes were certified seed.
- Allow a potato grower to plant uncertified potatoes only if the potatoes were grown and stored as part of that grower's farm operations and were no more than one field year from certified potatoes, or if authorized to do so by the Director of the Michigan Department of Agriculture and Rural Development due to an insufficient volume of a variety of certified seed potatoes.
- Require a person growing potatoes in combined seed lots of one or more acres in the State to notify the Director accordingly by January 1 of each year, and to maintain certain records for at least two years.
- Require the Director to select a qualified Department employee or independent auditor to perform a records review on at least 10% of potato growers subject to the proposed Act once every seed potato crop cycle.
- Create the Seed Potato Advisory Committee and provide for the appointment of its members.
- Specify the Committee's responsibilities, such as advising the Director in establishing rules under the proposed Act and assisting in the determination of availability of seed potatoes.
- Require the Director to promulgate rules to administer and enforce the Act, as well as set a schedule of fees for services performed by the Department.
- Authorize the Director to conduct an investigation to determine compliance with the Act.
- Allow the Director to impose an administrative fine on a person who violated the Act or a rule promulgated under it.

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would create additional regulatory authority and responsibilities for the Michigan Department of Agriculture and Rural Development, to begin January 1, 2021. It would authorize the Department Director to set a schedule of fees for services performed by the Department. The bill also would create administrative fines for violation of the proposed

provisions. Funds collected from fines would have to be credited to the Agriculture Inspection and Licensing Fee Fund established in the Insect Pest and Plant Disease Act, but revenue from proposed fees would not have to be credited to that Fund.

According to the Department, though the exact costs of its new responsibilities under the bill are not known, those costs would most likely be met under existing departmental fiscal resources, potentially enhanced by any fees collected under the bill.

Date Completed: 2-28-18

Fiscal Analyst: Bruce Baker