

HOUSE BILL No. 6420

September 24, 2002, Introduced by Rep. DeVuyst and referred to the Committee on Conservation and Outdoor Recreation.

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,
4 the director shall order the entry onto property where livestock
5 or domestic animals are located and authorize seizure, slaughter,
6 destruction, or other disposition of individual livestock or
7 domestic animals or the entire herd, flock, or school. If the
8 director has signed an order for the slaughter, destruction, or
9 other disposition of livestock or domestic animals, the director
10 shall notify the attorney general and the house and senate
11 appropriations committees and the department of management and

1 budget on the issue of indemnity under this section. The
2 director may approve facilities and procedures for the orderly
3 disposal of animals, animal products, and animal feeds for the
4 purpose of controlling or preventing the spread of an infectious,
5 contagious, or toxicological disease. The director may select a
6 site or method for the disposal with the advice of the director
7 of the department of environmental quality.

8 (2) The director may, under rules promulgated by the depart-
9 ment, allow indemnification for the slaughter, destruction, or
10 other disposition of livestock or domestic animals due to live-
11 stock diseases or toxicological contamination. If the director
12 has signed an order for the slaughter, destruction, or other dis-
13 position of livestock or domestic animals, the owner may apply
14 for indemnification. The director shall appraise and inventory
15 the condemned livestock or domestic animals. The appraisals and
16 inventories shall be on forms approved by the director. The
17 director shall use agricultural pricing information from commer-
18 cial livestock or domestic animal auction markets and other live-
19 stock or domestic animal market information as determined by the
20 director to determine the value of condemned livestock or domes-
21 tic animals. THIS SECTION SPECIFICALLY INCLUDES PRIVATELY OWNED
22 CERVIDS THAT ARE DESTROYED DUE TO CHRONIC WASTING DISEASE.

23 (3) Except as otherwise provided in subsection (5), indemni-
24 fication for individual livestock or domestic animals within a
25 herd, flock, or school shall be based upon 100% of the fair
26 market value of that type of livestock or domestic animal on the
27 date of the appraisal and marketable for the purpose for which

1 the livestock or domestic animal was intended, not to exceed
2 \$4,000.00 for each livestock or domestic animal. The appraisal
3 determination shall not delay the slaughter, destruction, or dis-
4 position of the livestock or domestic animals. The indemnifica-
5 tion amount under this subsection shall include a deduction for
6 any compensation received, or to be received, from any other
7 source including, but not limited to, indemnification by the
8 United States department of agriculture, insurance, salvage
9 value, or any monetary value obtained to encourage disposal of
10 infected or exposed livestock or domestic animals in accordance
11 with a disease control or eradication program. The owner shall
12 furnish to the department all records indicating other sources of
13 indemnity. An affidavit signed by the owner attesting to the
14 amount of compensation for the livestock received or to be
15 received from any other source shall accompany the appraisal cer-
16 tificate before indemnification under this section.

17 (4) Except as otherwise provided in subsection (5), indemni-
18 fication for entire herd, flock, or school depopulations of live-
19 stock or domestic animals shall be based upon 100% of the fair
20 market value of that type of animal on the date of the appraisal
21 and marketable for the purpose for which the livestock or domes-
22 tic animal was intended, not to exceed an average of \$4,000.00
23 per animal in the flock, herd, or school. The appraisal determi-
24 nation shall not delay depopulation. The indemnification amount
25 under this section shall include a deduction for any compensation
26 received, or to be received, from any other source including, but
27 not limited to, indemnification by the United States department

1 of agriculture, insurance, salvage value, or any monetary value
2 obtained to encourage disposal of infected or exposed livestock
3 or domestic animals in accordance with a disease control or erad-
4 ication program. The owner shall furnish to the department all
5 records indicating other sources of indemnity. An affidavit
6 signed by the owner attesting to the amount of compensation for
7 the livestock or domestic animals received, or to be received,
8 from any other source shall accompany the appraisal certificate
9 prior to indemnification under this section.

10 (5) The department may provide for indemnity pursuant to
11 this section not to exceed \$100,000.00 per order, from any line
12 item in the annual budget for the department in the applicable
13 fiscal year. Any agreement greater than \$100,000.00 entered into
14 between the department and an owner of livestock shall contain a
15 provision indicating that, notwithstanding the terms of the
16 agreement, indemnification shall be subject to specific appropri-
17 ations by the legislature and not be paid from department funds.

18 (6) Acceptance of compensation under this act constitutes a
19 full and complete release of any claim the owner has against the
20 state of Michigan, its departments, agencies, officers, employ-
21 ees, agents, and contractors to the extent these persons were
22 acting on behalf of the state, within the scope of their employ-
23 ment with the state or under the direction of the state, its
24 departments, agencies, officers, or employees, arising out of
25 testing, purchase, removal, slaughter, destruction, and other
26 disposition of the owner's animals.

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

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

22 (9) Repopulation of the premises, except as approved by the
23 director, shall not confer eligibility for future indemnity under
24 this section.

25 (10) The department may cooperate and coordinate with the
26 secretary of the United States department of agriculture or the
27 secretary's authorized representative or other governmental

1 departments or agencies regarding indemnification under this
2 section.

3 (11) Not less than annually, within 60 days after the close
4 of the fiscal year, the director shall make a written report to
5 the standing committees of the house of representatives and
6 senate having jurisdiction on agricultural and farming issues.

7 The report will include the following:

8 (a) The amount expended by the department for bovine tuber-
9 culosis eradication during the preceding fiscal year.

10 (b) An explanation of the expenditures made by the depart-
11 ment for bovine tuberculosis eradication during the preceding
12 fiscal year.

13 (c) The status of bovine tuberculosis eradication efforts in
14 Michigan.

15 (D) THE STATUS OF CHRONIC WASTING DISEASE IN MICHIGAN.

16 (12) Not less than annually, within 60 days after the close
17 of the fiscal year, the director of the department of natural
18 resources shall make a written report to the standing committees
19 of the house of representatives and senate having jurisdiction on
20 agricultural and farming issues. The report will include the
21 following:

22 (a) The amount expended by the department of natural
23 resources for bovine tuberculosis eradication during the preced-
24 ing fiscal year.

1 (b) An explanation of the expenditures made by the
2 department of natural resources for bovine tuberculosis eradica-
3 tion during the preceding fiscal year.

4 (C) THE STATUS OF CHRONIC WASTING DISEASE IN MICHIGAN.