



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1131 (Substitute S-2 as reported)
Senate Bill 1132 (Substitute S-1 as reported)
Sponsor: Senator Gerald Van Woerkom
Committee: Agriculture and Bioeconomy

CONTENT

Senate Bill 1131 (S-2) would amend the Grade A Milk Law to do the following:

- Require a milk plant to pay a licensing or permitting fee of \$400, \$800, or \$1,600, based on its expected raw milk receipts, rather than the current \$175 fee.
- Require each grade A dairy farm to be licensed under the Law and pay a license or permit fee of \$70, or \$25 if it maintained adequate personnel to conduct certified industry farm inspections.
- Permit the Michigan Department of Agriculture (MDA) to assess a plan review fee of \$100 to a potential dairy licensee or permittee, and a fee of \$300 for two or more consecutive re-inspections.
- Increase license fees for certified industry farm inspectors, receiving or transfer stations, milk truck cleaning facilities, milk transportation companies, milk tank trucks, distribution facilities, container manufacturers, and milk hauler/samplers.
- Revise the provisions for determining the fine for selling milk with violative drug residues.

Senate Bill 1132 (S-1) would amend the Manufacturing Milk Law to do the following:

- Require a dairy plant to pay an annual licensing or permitting fee of \$200 or \$400, based on the plant's anticipated raw milk receipts, rather than the current \$50 annual fee.
- Require each dairy farm producing manufacturing milk to be licensed under the Law and pay a license or permit fee of \$30, or \$15 if it maintained adequate personnel to conduct certified industry farm inspections.
- Permit the MDA to assess a plan review fee of \$100 to a potential dairy licensee or permittee, and a fee of \$150 for two or more consecutive re-inspections.
- Increase license or permit fees for receiving or transfer stations, milk tank truck cleaning facilities, container manufacturers, and milk hauler/samplers.
- Revise the provisions for determining the fine for selling milk with violative drug residues.
- Require certified inspectors to conduct one routine inspection per year of each producer, and a farm inspection of all producers whose first routine bacterial count exceeded legal standards.

MCL 288.501 et al. (S.B. 1131)
288.670 & 288.685 (S.B. 1132)

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bills together would generate approximately \$100,000 in additional restricted funds to be utilized by the Department of Agriculture to help support its dairy inspection program. These funds are included in the FY 2009-10 appropriations for the Department, Public Act 119 of 2009.

Date Completed: 3-2-10
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Fiscal Analyst: Bruce Baker
Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.