

# Legislative Analysis

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## SPORTING SWINE MARKETING ACT

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**House Bills 4503, 4506, and 4507**  
**Sponsor: Rep. Ed McBroom**

**House Bills 4504 and 4505**  
**Sponsor: Rep. Sharon Tyler**  
**Committee: Agriculture**

**Complete to 4-8-11**

## A SUMMARY OF HOUSE BILLS 4503-4507 AS INTRODUCED 3-24-11

House Bill 4503 would create a new act, "the Sporting Swine Marketing Act," which would require a person operating a sporting swine livestock operation to obtain a three-year registration from the Department of Agriculture and Rural Development. That department could conduct activities to develop and assist the sporting swine industry and would have to administer the act in consultation with the Department of Natural Resources.

The term "sporting swine livestock operation" encompasses breeding operations and shooting operations. Shooting operations involve hunting on privately controlled land that is capable of holding and containing sporting swine for hunting purposes.

[This new act would resemble, in part, the Privately Owned Cervidae Producers Marketing Act, referred to as the Cervidae Act, which authorizes and regulates the commercial raising of cervids -- that is, various species of animals in the deer family, such as deer, elk, moose, caribou, and reindeer.]

House Bill 4504 would amend the Natural Resources and Environmental Protection Act to exclude sporting swine species from the definition of "game." It also would exclude sporting swine in sporting swine operations from a provision that allows the Department of Natural Resources to regulate the taking or killing of all fish, game and fur-bearing animals, and game birds. (These exemptions are similar to those provided to privately owned cervidae.)

House Bill 4505 would amend the Cervidae Act to allow a person registered under that act to obtain a registration under the proposed Sporting Swine Marketing Act.

House Bill 4506 would amend the Code of Criminal Procedure to put felony penalties contained in the Sporting Swine Marketing Act into sentencing guidelines. (It also would rewrite some existing descriptions of felonies.)

House Bill 4507 would transfer the administration of the Cervidae Act from the Department of Natural Resources to the Department of Agriculture and Rural

Development. It also adds language to the act to make it consistent with provisions in the proposed Sporting Swine Marketing Act regarding local ordinances and variances from ordinances and to specify that an application for registration is good for three years.

The following are the major provisions of House Bill 4503.

#### Sporting Swine Livestock Operations as Agricultural Enterprises

- A sporting swine livestock operation would be considered an agricultural enterprise and part of the farming and agricultural industry of the state. The Agriculture Department would have to ensure that such operations are afforded all rights, privileges, opportunities, and responsibilities of other agricultural enterprises. The Commission of Agriculture and Rural Development would have to establish generally accepted agricultural and management practices under the Michigan Right to Farm Act that are applicable to sporting swine livestock operations. The bill also specifies that these operations are a form of agriculture and the operations and their equipment would be considered agricultural facilities and equipment. Such an operation would be considered an agricultural use.
- Sporting swine products and species lawfully produced, purchased, possessed, or acquired from within the state or imported into the state would be the exclusive and private property of the owner. (These products include tusks, capes, hides, meat, or any part of the animal, among other things.) The movement, importing, or exporting of sporting swine species would have to comply with the Animal Industry Act (MCL 287.701).

#### Registration Requirements

- Sporting swine livestock operations would need to obtain a registration from the Department of Agriculture and Rural Development (unless exempt under statute or rule). Zoos would be exempt. An operation in existence when the new act took effect would have 90 days to apply for registration.
- Applications for registration would have to be accompanied by a business plan that contains elements listed in the bill, including the proposed site of the operation and the size and location of each enclosure; whether the operation was for breeding or shooting or both; biosecurity measures to be used; methods of flushing animals from enclosures; the proposed record-keeping system; the current zoning of the property, whether the local unit of government has ordinances regarding fences, whether the operation meets those ordinances, and whether any variances from local ordinances have been granted. An application for registration is good for three years
- Upon receiving an application, the Agriculture Department would have to forward a copy to the Department of Natural Resources and send a written notice to the appropriate local units of government. (Local units would not need to be notified

if the proposed operation was already registered as a cervidae livestock facility or if the department determined that the land is zoned agricultural under a local zoning ordinance.) Local units would have 30 days to respond, indicating whether the proposed operation would violate an existing ordinance. If it would, the applicant would have 60 days to obtain a variance from the local unit. Failure to do so would void the application.

- The DNR would review the site plan for an application for an operation on a proposed site of 200 acres or larger. Within 30 days, the department would approve the plan if it determines the size and location of enclosures would not place unreasonable stress on wildlife habitat or migration corridors. Otherwise it would disapprove the plan and give the reasons. The DNR would provide written notice of its decision to the Agriculture Department. The Agriculture Department would have to enter into a memorandum of understanding with the DNR containing a process for reviewing the siting of new operations, determining compliance, and conducting investigations.

#### Application Fees/Sporting Livestock Fund

- The department would charge the following application fees for three-year registrations and renewals:
  - \*\* A \$250 application fee, accompanied by an inspection fee of \$250 for 40 acres or less and \$500 for over 40 acres. The same inspection fee would be charged in each of the second and third years of a three-year registration.
  - \*\* \$100 for a second pre-registration inspection.
  - \*\* \$2,250 for a renewal application – however, a sporting swine livestock operation that was also registered as a cervidae livestock facility under the Cervidae Act, and had paid all applicable fees under that act, would be exempt from the renewal application fee.
- Fees would be deposited into a newly created Sporting Livestock Fund, with the proceeds only to be used for the administration of the new act and the Cervidae Act.

#### Conditional Registration

- If certain criteria are met, the Agriculture Department would issue a conditional registration within 60 days after receiving an application. This registration authorizes construction of an operation but does not allow a new operation to be populated with sporting swine. The conditional registration is good for nine months, unless an extension is granted.
- The criteria for a conditional registration include: the existing or proposed operation agrees to comply with the new act and with its business plan; the application agrees to maintain the proper fencing; the applicant agrees to use a

method for identifying individual animals; and the DNR has approved a site plan, in those cases where the proposed facility was not already in operation and was 200 acres in size or larger. If a conditional registration is denied, the applicant would be entitled to an informal departmental review of the application, which would involve input from the applicant and the two state departments. Subsequently, the Agriculture Department could grant the conditional registration or affirm its previous denial, specifying the deficiencies that need to be corrected.

#### Final Registration after Inspection

- Once a sporting swine livestock operation has been constructed under a conditional registration, the applicant would notify the Department of Agriculture and Rural Development in writing and the department would conduct an inspection. If the department determines the operation complies with the act, then it would issue a registration within 30 days after the inspection. If the department determines the operation does not comply, it would deny the registration and notify the applicant of the reasons and of the deficiencies to be corrected. An applicant could request a second inspection after correction of the deficiencies.
- After a second denial, an applicant would be entitled to an informal departmental review of the application, which would involve input from the applicant and the two state departments. Subsequently, the Agriculture Department could grant the conditional registration or affirm its previous denial, specifying the deficiencies that need to be corrected.
- An applicant could request a hearing under the Administrative Procedures Act when denied a registration or when limitations had been placed on the issuance of a registration.
- The department would be required to establish an expedited registration renewal process whereby an operation would submit an application not later than 60 days before the expiration of a registration and the department would then make a decision within 30 days. The bill specifies that there would be general presumption that the department would renew a registration upon timely submission of a renewal application and application fee.
- If an operation is sold or transferred, the new owner would have to notify the department and, within three months, obtain a new registration for the operation.
- The owner of an operation could submit a request for the decommissioning of an operation. The department would approve the request if it could be conducted in a manner does not create a risk to the environment and other free-ranging animals.

#### Sporting Swine as Livestock/Testing/Documentation

- Sporting swine would have to be cared for and managed as livestock.

- All imported and exported sporting swine must have a clearly visible permanent individual official identification before reaching 50 pounds.
- All sporting swine at a livestock operation must have a negative pseudorabies test within 30 days before entering the operation or must originate from a qualified negative pseudorabies herd.
- Feral swine could not be captured and used in sporting swine operations.
- Persons registered under the act would have to keep and maintain records of production, purchases, and imports so as to be able to establish proof of ownership. A person transporting swine would need to be able to produce documentation containing the origin of shipment and other kinds of documentation required under the Animal Industry Act. An owner would have to keep records of all sporting swine species harvested and all purchases of sporting swine. Records would have to be kept for seven years and be available at the department's request.
- A blood sample of hunter-killed swine would have to be drawn and sent to a department-approved laboratory, at the owner's expense, and tested for pseudorabies, brucellosis, and any other disease the department considers it necessary to test for. The laboratory would send the results to the owner and the department. If a sporting swine tested positive for pseudorabies or brucellosis, the herd testing protocol established by the department director under the Animal Industry Act would be followed. If the protocol indicates the herd is positive, the director would order the depopulation of the herd.
- Viscera and other body parts from an operation would have to be disposed of in accordance with Public Act 239 of 1982, which deals with the bodies of dead animals.

#### Escaping/Fencing

- An operation would have to be maintained so as to prevent captive sporting swine species from escaping. Fencing would have to be approved by the Agriculture Department and comply with requirements specified in the bill. For example, fencing would need to be at least eight feet high for enclosures at sporting swine operations and five feet high at breeding operations. Fencing would have to be anchored to the ground and contain an operational electric wire. A minimum of 12 feet clear of trees would have to be maintained on each side of the fence. Fencing would have to be inspected weekly and the inspection documented.

#### Enforcement/Inspection/Penalties

- An operation's owner would have to grant the Agriculture Department or its authorized agent access at all reasonable hours to inspect and determine if the act

was being violated and to secure samples and specimens of sporting swine species. Inspections would have to be conducted so as to not jeopardize the health of the swine.

- The department could contract with persons it has trained to conduct inspections during the second and third years of a registration to confirm escape prevention measures exist and to confirm compliance with the act generally.
- If it discovered a violation, the department could (1) issue a warning; (2) impose an administrative fine up to \$1,000 plus the costs of investigation for each violation, after a notice and an opportunity for a hearing; (3) issue an appearance ticket; or (4) place a quarantine on the operation disallowing movement of animals until certain requirements were met. A person aggrieved by a fine could request a hearing under the Administrative Procedures Act. The attorney general could bring a civil action to recover any fine a person had failed to pay. Fines would go to the new Sporting Livestock Fund.
- The Agriculture Department could also (1) obtain a declaratory judgment that a method, activity, or practice was a violation of the act and/or obtain an injunction against a person engaging in a method, activity, or practice in violation of the act.
- Remedies under the act would be cumulative and the use of one remedy would not bar the use of another unless specifically prohibited.
- The department could, after an opportunity for an administrative hearing, deny, suspend, revoke, or limit a registration for the failure to comply with the act.
- Generally, a violation of the act would be a misdemeanor punishable by a fine of not less than \$300 or more than \$1,000 and/or imprisonment for not less than 30 days or more than 90 days.
- A person who releases or allows the release of a sporting swine species or who abandons a sporting swine livestock operation without notifying the Agriculture Department would be guilty of a misdemeanor. A first offense would be punishable by a fine of not more than \$300 and/or imprisonment for not more than 90 days. A second or subsequent offense would be punishable by a fine of not more than \$1,000 and/or imprisonment for not more than one year.
- However, a person who intentionally allows the release of sporting swine or abandons an operation, or who intentionally and knowingly causes the ingress of feral swine into a sporting swine operation would be guilty of a felony punishable by imprisonment for up to four years and/or a fine of up to \$5,000.

## **FISCAL IMPACT:**

House Bill 4503 would create a new act, "the Sporting Swine Marketing Act" to authorize and regulate the raising of "sporting swine" as an agricultural enterprise in the state. The proposed act would be similar to the act that authorizes and regulates the commercial raising of cervids (i.e. various species of animals in the deer family, such as deer, elk, moose, caribou, and reindeer), the Privately Owned Cervidae Producers Marketing Act.

The bill would establish a licensing and regulatory program for "sporting swine livestock operations," and provides for various application, inspection, and application fees. Revenue generated from these fees would be credited to a new "Sporting Livestock Fund" which would be used to administer the new act as well as the Privately Owned Cervidae Producers Marketing Act.

We cannot reasonably estimate at this time the amount of revenue the proposed fees would generate. We do not know how many applicants there would be for sporting swine livestock operating licenses. In addition, we do not know how many of the applicants would already be registered under the Privately Owned Cervidae Producers Marketing Act.

The bill would exempt a sporting swine livestock operation from renewal application fees if the operation were also registered as a cervidae livestock facility under the Privately Owned Cervidae Producers Marketing Act, and had paid all applicable fees under that act. It is our understanding that there is a relationship between the private deer hunting ranches in Michigan and the ranches that offer hunting of Razorback swine or European wild boars in Michigan. While there are some hunting facilities that offer only swine hunting, a number of cervid ranches also advertise swine or boar hunting as an added hunting experience. One might say that the set of cervid ranches intersects with the set of swine hunting facilities. Exempting sporting swine livestock operations that were also licensed cervid facilities from the renewal application fee could have a significant impact on estimated fee revenue.

Regulatory fees established under the Cervidae Act have not covered the costs of the state regulatory program under that act; fee revenue represents approximately 7% of on-going program costs for the seven-year period ending September 30, 2009, exclusive of indemnification payments. In fact, over that seven-year period, fee revenue was less than the amount of indemnification payments to cervid owners for destruction of diseased deer. Because regulatory fees established in the Cervidae Act do not provide sufficient revenue to maintain the regulatory and inspection programs mandated by the act, the shortfall has been made up with state General Fund revenue. With regard to the Michigan Department of Agriculture and Rural Development, the use of General Fund revenue for the cervid regulatory program has effectively reduced General Fund support for other MDA Animal Health and Welfare activities.

Under the bill, a sporting swine livestock operation would be considered an agricultural enterprise and part of the farming and agricultural industry of the state. The bill would attempt to convey on the industry benefits enjoyed by traditional agricultural enterprises – protection under the Right to Farm Act, shelter from certain property taxes under the General Property Tax Act and the Michigan Natural Resources and Environmental Protection Act, and reduced vehicle registration taxes under the Michigan Vehicle Code.

For a detailed analysis of these issues, see House Fiscal Agency memo dated October 5, 2010, *The Treatment of Game Animals as Livestock in Michigan: Fiscal and Regulatory Issues*.  
[http://www.house.mi.gov/hfa/PDFs/animal\\_industry\(pub\\_v2\).pdf](http://www.house.mi.gov/hfa/PDFs/animal_industry(pub_v2).pdf)

For a detailed discussion of fiscal issues specific to sporting swine, See House Fiscal Agency memo dated June 25, 2008, *Pseudorabies Outbreak and the Fiscal Impact*.  
<http://www.house.mi.gov/hfa/PDFs/pseudorabies.pdf>

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