

January 14, 2013

Questions and Answers

Livestock Dealers Licensing Act 284 of 1937

An amendment to the Livestock Dealer Licensing Act, Public Act 284 of 1937 updates language, incorporates regulations into the law, and requires fees for licensure.

The new Act was signed into law by Governor Snyder and filed with the secretary of state on October 1, 2012.

Q: What animals are considered livestock under this act?

A: Livestock includes horses, ponies, mules, cattle, calves, swine, sheep poultry, privately owned cervids, ratites, aquaculture species, and goats. Poultry, aquaculture and cervid species are new additions to the livestock dealer licensing act.

Q: Why were poultry, aquaculture and cervid species added to the act?

A: All these species are considered livestock in other MDARD laws and regulations.

Q: What are the new fees for licensing under this act?

A: The department shall charge the following non-refundable annual fees for initial and renewal license applications:

1. Class I- Livestock auction operator (includes horse auctions) \$400.00
2. Class II- Buying station operator \$250.00
3. Class III- Dealer, Broker, Agent, or Collection Point operator \$50.00
4. Class IV- Livestock trucker \$25.00

Q: What is a buying station?

A: A buying station is a facility where livestock are congregated AND purchased by the owner of the facility for movement or sale. A buying station is required to be licensed and bonded by the Department..

Q: What is a collection point?

A: A collection point is a facility or location where livestock are congregated by the owner of the facility for transfer or movement. There is no financial transaction between the owner of the animals and the owner of the facility. No bonding is required.

Q: What is included in a Class I livestock auction operator license?

A: A livestock auction is a facility where any livestock are consigned to be sold by the auction method. There are no longer separate fees for horse auctions. Horses, ponies and mules are considered livestock.

Q: What is included in a livestock dealer license?

A: A livestock dealer is a person that engages in the business of buying, selling, receiving, exchanging, buying for slaughter, negotiating or soliciting sale, resale, exchange, transportation or transfer of livestock.

Dealers do not include the following:

1. A railroad or airline transporting animals interstate or intrastate
2. A person that is, by dispersal sale, permanently discontinuing the business of farming, dairying, breeding, or feeding of animals
3. A person that sells livestock that have been raised on the premises of the person.
4. A butcher, packer, or processor to whom animals are delivered and used exclusively for slaughter
5. A person whose business consists of buying or receiving animals for breeding grazing, and feeding and the sale or disposal of the animals after the feeding or grazing period of not less than 21 days
6. Occasionally held consignment sales sponsored and conducted by a breed association, 4H, or FFA group, county fair or youth fair

Q: What is a livestock trucker?

A: A livestock trucker is a person that engages in the business of transporting livestock, not owned by the person or the person's employer, from one location to another. The following do not require a license:

1. A person hauling livestock on an occasional basis for persons participating in a livestock exhibition, fair, trail ride, youth livestock event, or other similar activity.
2. Hauling livestock on an incidental basis in connection with another business, such as a veterinary practice or a stable operation, which is operated by that person and which does not ordinarily involve the sale of livestock.
3. Hauling livestock for another person fewer than 6 times in the preceding 12 months.

Q: Do out of state truckers require a license under this act?

A: Yes. If you are trucking livestock species into Michigan, you are required to comply with this act unless you meet an exemption, such as hauling your own animals.

Q: If I have previously transported, or marketed cervid, poultry or aquaculture species without a license, do I need to apply for a license now?

A: Yes. The livestock dealer law became effective on October 1, 2012. Since that date, these species are covered under this law.

Q: When do I need to renew my license?

A: Each renewal application must be delivered to the Department by October 1 of each year. If the application is delivered or postmarked after October 1, a late fee of \$10.00 shall be imposed for each business day that the application is late. The total late fee shall not exceed \$100.00.

Q: Which licensees are required to be bonded?

A: MDARD requires all livestock auction markets and buying stations to be bonded, and the department must be designated as obligee on the bond. If you are operating with a class III or IV license, MDARD does not require you to be bonded, but the USDA Packers and Stockyards may require a bond. If you are applying for a license under this act, please contact the United States Department of Agriculture Packers and Stockyards at 515-323-2579 for federal requirements related to livestock licensing and bonding.

Q: What kind of records will I be required to keep under this act?

A: Each person licensed under this act will be required to keep the following records for 5 years:

1. The identity of each animal including all of the following: Species (such as cattle or horses), breed or physical description (such as Holstein or black and white), Age or Type (such as 6 months old, or feeders), and gender
2. The date and source of each animal, including the complete name and address of the person from whom the animal is acquired.
3. Records of all required tests, treatments, movement certificates, and permits
4. The date and place of disposition of each animal including the complete name and address of the destination, and the name of the person receiving the animal.

In addition, a person licensed to operate a livestock auction, buying station, or collection point shall keep the following records of animals bought, received, sold, exchanged, transported, resold, or transferred:

1. Official identification of each animal recorded by official eartag, official breed registry tattoo, or official back tag number.
2. If an animal is sold by weight, the weight of the animal.