

Members of the Michigan House Agriculture Committee Room 326, House Office Building, Lansing, MI

January 15, 2020

Members of the Michigan House Agriculture Committee,

I am writing on behalf of the American Feed Industry Association (AFIA) in opposition to HB 5239, the "Michigan Equine Promotion Act." AFIA opposes HB 5239 because it creates a new, complicated requirement for an assessment on "horse feed." This program would create a new burden on local feed businesses, adding to their costs and complicating their bookkeeping. Currently, there is no such assessment on any type of feed, so this would be a completely new regulatory requirement for feed dealers.

AFIA, based in Arlington, Va., is the world's largest organization devoted exclusively to representing the business, legislative and regulatory interests of the U.S. animal food industry and its suppliers. AFIA's members include more than 680 domestic and international companies, such as livestock feed and pet food manufacturers, integrators, pharmaceutical companies, ingredient suppliers, equipment manufacturers and supply companies that provide other products or services to feed manufacturers. Several state, national and regional associations are also AFIA members.

The feed industry plays a critical role in the production of healthy, wholesome meat, milk, fish and eggs and supports policies that uphold U.S. food and feed safety, ensure the proper nutrition of animals and protect the environment. More than 75 percent of the feed in the United States is manufactured by AFIA members. AFIA's members also manufacture approximately 70 percent of the country's non-grain ingredients, including soybean meal, distillers' coproducts, vitamins, minerals, amino acids, yeast products and other miscellaneous and specialty ingredients.

As proposed, HB 5239 would require a new revenue collection program by the feed dealer and ultimately the cashier at the counter. It essentially requires the cashier to determine what feed will be used "specifically for horses," a definition that isn't always clear. Custom orders of feed could be used for any number of livestock species, bagged horse feed could be used for other species or general livestock feed could be fed to horses.

As currently written, HB 5239 proposes local businesses and counter personnel to explain to customers why a new cost is being passed on to them at the retail counter and collected by the feed company that receives no benefit from the program. As a result, the local feed business will bear the brunt of explaining the program and why there is a collection process, without a doubt angering their customers through no fault of their own.

If enacted, this measure will create a new bureaucracy and totally depend on local feed businesses in Michigan to enforce it. AFIA commends Michigan's efforts to promote the equine industry, however this legislation will do so at the expense and administrative burden of local agribusinesses.

AFIA urges you to oppose HB 5239. Thank you for your time and consideration.

Sincerely,

Louise H. Calderwood

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Director of Regulatory Affairs

Our Industry. Our Passion. Our Voice.