



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5362 (Substitute S-1 as reported)
Sponsor: Representative Kim Rhead House
Committee: Agriculture and Forestry
Senate Committee: Agriculture and Forestry

CONTENT

The bill would amend the Agricultural Commodities Marketing Act to do the following

- Permit assessments to be collected from both producers and distributors of a marketable agricultural commodity, if the Director of the Department of Agriculture determined that the "unique nature of the commodity or industry structure" warranted the assessments. (Currently, assessments are collected only from producers of commodities directly affected by a marketing program.)
- Permit a marketing agreement or program to award grants to organizations or individuals to carry out activities in the agreement or program.
- Establish a process for the collection of unpaid assessments, including providing for an investigation of a processor, distributor, handler, or producer who did not deduct or remit any assessment and permitting the Department Director to file an action in court to collect the assessment.
- Permit a commodity committee to borrow money under certain conditions in anticipation of receiving an assessment.
- Exempt a marketing program from the Act's current requirement that a program be submitted to a producer referendum during each fifth year of operation, if certain circumstances existed.
- Include aquacultural (water plants and animals) and silvicultural (forestry) products as well as commercial fish or fish products within the Act's definition of "agricultural commodity".

MCL 290.652 et al.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The Department of Agriculture would incur minimal costs for conducting referenda, which costs would be reimbursed by the affected marketing board. The Department has 1.0 FTE that monitors the various commodity groups by attending over 90 meetings a year. The bill would require the attendance of a few more meetings. There would be no fiscal impact on local governments.

Date Completed: 4-29-96

Fiscal Analyst: A. Rich

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