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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4513 (as passed by the House)  
Sponsor: Representative Wayne Kuipers  
House Committee: Agriculture and Resource Management  
Senate Committee: Farming, Agribusiness and Food Systems

Date Completed: 9-20-01

### **CONTENT**

The bill would repeal Public Act 184 of 1913, which regulates the selling of farm produce on commission. Under the Act, individuals, firms, associations, and corporations who wish to sell, receive, or offer produce on commission ("commission merchants") must apply for a license from the State Dairy and Food Commissioner. Retailers, real estate dealers, and auctioneers are exempt from the Act.

The Act establishes procedures for investigating applicants, specifies grounds for refusing applications and revoking licenses, and provides for an applicant's or licensee's right to a judicial review in the event of refusal or revocation of a license. License holders who impose false charges, intend to defraud or deceive, and/or fix prices are guilty of misdemeanors.

MCL 445.331-445.341

Legislative Analyst: C. Layman

### **FISCAL IMPACT**

The bill would decrease State revenues by eliminating the licensing requirement for commission merchants. Licensing fees collected in fiscal year 1999-2000 totaled only \$210. In addition, there could be administrative savings to the Department of Agriculture associated with the work involved in processing, issuing, and tracking such licenses. These savings would be minimal due to the small number of licenses issued each year.

Fiscal Analyst: C. Thiel

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