

**SUBSTITUTE FOR
SENATE BILL NO. 691**

A bill to amend 1965 PA 232, entitled
"Agricultural commodities marketing act,"
by amending section 8 (MCL 290.658), as amended by 2002 PA 601.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) Money, assets, or other items of value collected
2 or received under this act, whether collected from assessments,
3 received as grants or gifts, or earned from royalties or license
4 fees or derived from any activities performed by another
5 organization, agency, or individual and conducted under a marketing
6 program, are not state money and ~~shall~~**must** be deposited in a
7 financial institution in this state. The money ~~shall~~**must** be
8 allocated to the marketing program under which it is collected or
9 received and ~~shall~~ be disbursed only for the necessary expenses

1 incurred for the marketing program according to the rules
2 established under the marketing program and for grants authorized
3 under a marketing agreement or marketing program.

4 (2) Except as otherwise provided for in this subsection, all
5 expenditures ~~shall~~**must** be audited by a certified public accountant
6 at least annually and ~~within~~**not later than** 30 days after
7 completion of the audit, the certified public accountant shall give
8 copies of the audit to the members of the committee and the
9 director. An activity and financial report ~~shall~~**must** be published
10 annually and made available to interested parties. A committee with
11 annual assets ~~collected producer assessments~~ of ~~\$50,000.00~~
12 **\$40,000.00** or less, based ~~upon~~**on** a 3-year average, ~~shall~~**must** be
13 audited ~~twice~~**once in the second or third year** between referenda.
14 ~~and shall have a financial review conducted in those years where it~~
15 ~~is not audited under this subsection.~~**Nothing in this subsection**
16 **prevents the department from conducting oversight activities**
17 **authorized by this act.**