

# HOUSE BILL No. 5965

September 11, 1990, Introduced by Reps. London, Randall, Gnodtke, Ouwinga, Bender, Niederstadt and Martin and referred to the Committee on Agriculture.

A bill to enhance and promote the export of Michigan agricultural commodities and products; to create the Michigan farm export loan program; and to prescribe the duties of certain state agencies and officials.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2 "Michigan farm export act".

3       Sec. 2. As used in this act:

4       (a) "Department" means the department of agriculture.

5       (b) "Director" means the director of the department of  
6 agriculture.

7       (c) "Person" means an individual, corporation, association,  
8 partnership, governmental agency, or any other legal entity.

9       (d) "Qualifying financial institution" means a state or  
10 national chartered bank, a state or federal chartered credit

1 union, a state or federal chartered savings and loan association,  
2 or an institution under the farm credit act of 1971, Public Law  
3 92-181, 85 Stat. 583.

4       Sec. 3. The Michigan farm export loan program is created  
5 and shall be administered by the department for the purpose of  
6 enhancing and promoting the export sale of agricultural commodi-  
7 ties and products of the state by making it possible for buyers  
8 to purchase on credit terms.

9       Sec. 4. (1) The director shall promote, identify, and  
10 facilitate, either directly or through any of the persons listed  
11 in section 6, export sale opportunities of agricultural commodi-  
12 ties and products of the state.

13       (2) If the director finds that a proposed export sale meets  
14 the requirements of this act and the buyer is eligible for a loan  
15 from a qualifying financial institution, the director shall  
16 notify the state treasurer of the proposed export sale and the  
17 state treasurer may invest surplus funds of the state in the  
18 lending financial institution to participate in such a loan.

19       Sec. 5. A loan under this act shall meet the following  
20 requirements:

21       (a) The amount invested by the state is fully guaranteed by  
22 an agency or instrumentality of the United States government,  
23 including, but not limited to, the federally chartered commodity  
24 credit corporation, chapter 704, 62 Stat. 1070, 15 U.S.C. 714 to  
25 714p, or a qualifying financial institution.

26       (b) The loan is issued through a qualifying financial  
27 institution.

1 (c) The agricultural commodities or products purchased  
2 through the loan were produced or processed, in whole or in part,  
3 within the state.

4 (d) The terms of the loan would make the sale competitive  
5 with the sale of agricultural commodities or products of other  
6 states or foreign countries.

7 Sec. 6. An export sale under this act may be identified,  
8 proposed, developed, originated, or administered by or through an  
9 exporter, importer, agricultural trade association, the United  
10 States department of agriculture, a world trade center, the  
11 department, a statutorily created agricultural commodity commis-  
12 sion, the Michigan export development authority created by  
13 section 3 of the Michigan export development authority act, Act  
14 No. 157 of the Public Acts of 1986, being section 447.153 of the  
15 Michigan Compiled Laws, or any other person.

16 Sec. 7. This act shall not take effect unless Senate Bill  
17 No. \_\_\_\_\_ or House Bill No. 5932 (request no. 05125'90 a) of  
18 the 85th Legislature is enacted into law.