



**House
Legislative
Analysis
Section**

Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

MICHIGAN FARM EXPORT ACT

House Bill 4553

Sponsor: Rep. Terry London

**Committee: Agriculture, Forestry and
Minerals**

Complete to 4-30-91

A SUMMARY OF HOUSE BILL 4553 AS INTRODUCED 3-13-91

The bill would create a new act, the Michigan Farm Export Act, to promote the export of Michigan agricultural commodities and products by creating a farm export loan program to enable exported Michigan agricultural commodities and products to be bought on credit.

Loans. Loans under the bill would have to be issued through "qualifying institutions," that is, lending financial institutions that were state or federal chartered banks, credit unions, savings and loans, or institutions under the federal Farm Credit Act of 1971. The amount invested by the state would have to be fully guaranteed by the federal government (including the federally chartered Commodity Credit Corporation) or by the lending institution. If the director decided that a proposed export sale met these requirements and that the buyer was eligible for a loan from a qualifying institution, the state treasurer would be allowed to invest surplus state funds in the lending financing institution in order to participate in the loan.

Identification of potential export sales. The director of the Department of Agriculture (MDA) would be responsible for promoting, identifying, and facilitating export sales of Michigan agricultural commodities, either directly or at the suggestion of exporters, importers, agricultural trade association, the United States Department of Agriculture, a world trade center, a statutorily created agricultural commodity commission, the Michigan Export Development Authority, or anyone else.

Tie-bar. The bill is tie-barred to a bill that has not yet been introduced.