

Act No. 111  
Public Acts of 1992  
Approved by the Governor  
June 26, 1992  
Filed with the Secretary of State  
June 26, 1992

**STATE OF MICHIGAN  
86TH LEGISLATURE  
REGULAR SESSION OF 1992**

Introduced by Reps. Niederstadt, Bartnik, Pitoniak, Byrum, Dobronski, Baade, Anthony, Middaugh, McNutt and Dalman

# **ENROLLED HOUSE BILL No. 4440**

AN ACT to amend section 5 of Act No. 366 of the Public Acts of 1988, entitled "An act to insure agricultural commodities against losses due to the failure of dealers; to establish an agricultural commodity insurance fund and prescribe its powers and duties; to provide for the assessments; to prescribe certain powers and duties of certain state agencies and officers; and to promulgate rules," being section 285.215 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 5 of Act No. 366 of the Public Acts of 1988, being section 285.215 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 5. (1) Subject to section 6, the director shall impose and collect, and a dealer shall pay, an assessment to be deposited in the fund, which assessment shall be based upon the dollar value of the commodity sold, as appropriate, for a commodity purchased by or stored by that dealer. The rate of the assessment shall not exceed 0.1 of 1% of the dollar value of the commodity sold. The assessment shall be collected not more than once on each commodity sold.

(2) Unless the director has determined an assessment is no longer required, the assessment shall be imposed upon the dealer at the time of sale of the commodity by the grower and remitted by the dealer to the director within the first 10 business days of each month, accompanied with a form as prescribed by the director. There shall be no extension of time for the remittance of an assessment imposed under this section.

(3) If the amount in the fund, as reported to the director by the department of treasury, exceeds \$5,000,000.00, the director shall cease collection of assessments before the next monthly collection period. If, after exceeding \$5,000,000.00, the amount in the fund decreases to less than \$3,000,000.00, the director shall resume collection of assessments. The director shall immediately provide notice by first-class mail to a dealer if the requirement of an assessment ceases or resumes.

(4) A dealer that fails to pay an assessment or fails to pay an assessment by the prescribed due date imposed under this act is subject to revocation of the license required by the grain dealers act, Act No. 141 of the Public Acts of 1939, being sections 285.61 to 285.82a of the Michigan Compiled Laws, as provided in that act.

(5) A dealer shall maintain books, accounts, records, and documents of the business, as may be prescribed by the director, to enable the director to examine and determine whether the business of the dealer is conducted pursuant to this act. The preservation of records electronically or by reproduction pursuant to the records media act constitutes compliance with this section. The director shall examine the books, accounts, records, and documents of a dealer 3 times per calendar year.

Section 2. This amendatory act shall not take effect unless House Bill No. 4438 of the 86th Legislature is enacted into law.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.