

SENATE BILL No. 551

June 26, 2001, Introduced by Senators GOSCHKA, GAST, GOUGEON and MC MANUS
and referred to the Committee on Appropriations.

A bill to amend 1855 PA 105, entitled

"An act to regulate the disposition of the surplus funds in the state treasury; to provide for the deposit of surplus funds in certain financial institutions; to lend surplus funds pursuant to loan agreements secured by certain commercial, agricultural, or industrial real and personal property; to authorize the loan of surplus funds to certain municipalities; to authorize the participation in certain loan programs; to authorize an appropriation; and to prescribe the duties of certain state agencies,"

(MCL 21.141 to 21.147) by adding section 2e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 2E. (1) THE STATE TREASURER MAY LOAN NOT MORE THAN
2 \$5,000,000.00 IN SURPLUS FUNDS, WITHOUT INTEREST, TO SUGAR BEET
3 GROWERS' COOPERATIVES FOR THE PURPOSE OF PURCHASING THE ASSETS OF
4 1 OR MORE AGRICULTURAL PROCESSORS IF ALL OF THE FOLLOWING CONDI-
5 TIONS ARE MET:

SB 551, As Passed Senate, July 11, 2001

Senate Bill No. 551 as amended July 10, 2001

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1 (A) THE AGRICULTURAL PROCESSOR EMPLOYS AT LEAST 300
2 FULL-TIME EMPLOYEES AND 1,000 SEASONAL EMPLOYEES AND IS IN
3 BANKRUPTCY PROCEEDINGS OR WAS IN BANKRUPTCY PROCEEDINGS AT ANY TIME
4 DURING THE 1-YEAR PERIOD PRECEDING THE DATE OF THE LOAN.

4 (B) THE LOAN AMOUNT DOES NOT EXCEED 10% OF THE TOTAL PUR-
5 CHASE PRICE OF THE AGRICULTURAL PROCESSOR'S ASSETS.

6 (C) THE LOAN IS FOR A PERIOD NOT TO EXCEED 5 YEARS.

7 (2) IN ADDITION TO THE CONDITIONS PROVIDED IN SUBSECTION
8 (1), THE STATE TREASURER MAY PRESCRIBE ADDITIONAL TERMS OF A LOAN
9 ISSUED UNDER THIS SECTION.

(3) A SUGAR BEET GROWERS' COOPERATIVE THAT WISHES TO APPLY FOR
A LOAN UNDER THIS SECTION SHALL SUBMIT A LOAN APPLICATION TO THE
STATE TREASURER BEFORE JANUARY 1, 2002.

10 (4) AS USED IN THIS SECTION, "SUGAR BEET GROWERS'
11 COOPERATIVE" MEANS A FARMER OWNED COOPERATIVE COMPRISED OF SUGAR
12 BEET GROWERS WHO OWN THE ASSETS OF THE COOPERATIVE AND USE THE
13 COOPERATIVE'S SERVICES OR PROCESSING EQUIPMENT.