

Act No. 342
Public Acts of 2004
Approved by the Governor
September 28, 2004
Filed with the Secretary of State
September 28, 2004
EFFECTIVE DATE: September 28, 2004

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Senators Barcia, Goschka, Allen and Jelinek

ENROLLED SENATE BILL No. 1349

AN ACT 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," by amending section 2e (MCL 21.142e), as added by 2001 PA 123.

The People of the State of Michigan enact:

Sec. 2e. (1) The state treasurer may loan not more than \$5,000,000.00 in surplus funds, without interest, to sugar beet growers' cooperatives for the purpose of purchasing the assets of 1 or more agricultural processors if all of the following conditions are met:

(a) The agricultural processor employs at least 300 full-time employees and 1,000 seasonal employees and is in bankruptcy proceedings or was in bankruptcy proceedings at any time during the 1-year period preceding the date of the loan.

(b) The loan amount does not exceed 10% of the total purchase price of the agricultural processor's assets.

(c) The loan is for a period not to exceed 5 years.

(2) In addition to the conditions provided in subsection (1), the state treasurer may prescribe additional terms of a loan issued under this section.

(3) In the case of a loan executed under subsection (1), the state treasurer, as part of the modification of the loan, shall subordinate the loan to the primary loan of the sugar beet growers' cooperative and shall relinquish any enforcement powers or authority that may exist under the current contract or agreement. The modification shall be for not more than a \$5,000,000.00 loan to a sugar beet growers' cooperative for the purpose of purchasing the assets of 1 or more agricultural processors that employ at least 300 full-time employees and 1,000 seasonal employees.

(4) As used in this section, "sugar beet growers' cooperative" means a farmer owned cooperative comprised of sugar beet growers who own the assets of the cooperative and use the cooperative's services or processing equipment.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Sam E. Randall

Clerk of the House of Representatives

Approved _____

Governor