



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 899 (as reported without amendment)  
Sponsor: Senator Jim Stamas  
Committee: Commerce

### **CONTENT**

The bill would amend the Grain Dealers Act to do the following:

- Eliminate a provision under which a grain dealer may be licensed if the dealer has allowable net assets of more than \$1.0 million.
- Specify that certain claimants would have a lien on all of the farm produce assets of a grain dealer.
- Specify the priority of lienholders receiving proceeds from the sale of a failed grain dealer's farm produce assets.
- Require the Department of Agriculture and Rural Development to liquidate a failed grain dealer's farm produce assets to satisfy valid claims.
- Require the Director of the Department to assign a lien to a claimant if a proceeding were commenced to recover farm produce assets on which the lien attached and the Department declined to enter the proceeding.
- Allow the Director to reduce the amount of a claim to reflect the liabilities owed to the grain dealer by the claimant.

The bill also would repeal Section 26 of the Act, which governs the distribution of the assets of a failed grain dealer.

The bill would take effect 90 days after its enactment.

MCL 285.63 et al.

Legislative Analyst: Jeff Mann

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 5-4-16

Fiscal Analyst: Bruce Baker