



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 691 (as introduced 1-18-24)
Sponsor: Senator Sam Singh
Committee: Natural Resources and Agriculture

Date Completed: 2-15-24

CONTENT**The bill would amend the Agriculture Commodities Marketing Act to modify auditing requirements for commodity committees.**

The Act provides for the establishment of agriculture commodity marketing programs which generally promote and research agricultural products in the State and are funded by assessments on affected producers. Marketing programs must establish commodity committees to administer the programs, and the Michigan Department of Agriculture and Rural Development (MDARD) generally has oversight of these committees.¹ All money, assets, and other items of value collected by a marketing program is not State money and must be deposited into a financial institution. Money may only be disbursed under certain conditions and audits must be conducted by a certified public accountant.

Currently, a commodity committee with annual assets of \$50,000 or less based on a three-year average must be audited twice between referenda and have a financial review conducted in the years it was not audited. Instead, under the bill, a committee with annual collected producer assessments of \$40,000 or less, based on a three-year average, would have to be audited once between referenda. The bill specifies that it would not prevent MDARD from conducting oversight activities authorized by the Act.

MCL 290.658

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

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

Fiscal Analyst: Bruce R. Baker

¹ According to MDARD, there are currently 15 commodity committees, including committees concerned with apples, blueberries, and dairy, among other agricultural products.

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