

AGRICULTURAL COMMODITIES MARKETING ACT (EXCERPT)
Act 232 of 1965

290.653 Marketing agreements; provisions allowed; provisions required; substantial compliance.

Sec. 3. (1) Any marketing agreement or marketing program authorized under this act may contain 1 or more of the following:

- (a) Provisions for establishing advertising and promotional programs.
- (b) Provisions for establishing market development programs.
- (c) Provisions for establishing and supporting research designed to improve or develop new agricultural commodities or agricultural commodity inputs and contribute to the effectiveness of the program.
- (d) Provisions for development and dissemination of market information.
- (e) Provision for accepting grants, royalties, license fees, interest, gifts, income, or other items of value that enhance the purpose of the marketing program or marketing agreement.
- (f) Provision for contracting with organizations, agencies, or individuals to carry out the activities described in this act.
- (g) Provisions for either or both of the following:
 - (i) Establishing standards for quality, purity, condition, size, or other accepted standards for that industry for agricultural commodities or agricultural commodity inputs sold as fresh, seed, or processed and standards for pack or container, or both, for agricultural commodities or agricultural commodity inputs sold for use as fresh, seed, or processed products.
 - (ii) Inspection and grading of the fresh, seed, or processed agricultural commodity or agricultural commodity input in accordance with the grading standards so established.
- (h) Provision for determining the existence and extent of any surplus in any marketing period for any agricultural commodity or agricultural commodity input, or of any grade, size, or quality of any agricultural commodity or agricultural commodity input, and providing for handling and equitably sharing the cost of such surplus handling among the producers of the agricultural commodity or agricultural commodity input. Before provisions under this subdivision are included in any marketing program, particular attention shall be given to determining that Michigan producers affected by the provisions produce a sufficient proportion of the product covered by the provisions for the program to be effective in the particular market toward which the provisions would be applicable.
- (i) Provision for payment of assessments for all usable products purchased from producers according to established grades.
- (j) Provision for payment of assessments on agricultural commodity inputs.
- (k) Provision for exemption of nonparticipating producers.
- (l) Provision for the awarding of grants from money collected pursuant to this act. The grants may be awarded to organizations, agencies, or individuals with whom the committee has contracted for activities described in this section.

(2) A proposed marketing program shall include definition of terms, purpose, maximum rate of an assessment, method of collection of the assessment, and nominating procedures, qualifications, representation, and size of the committee as well as other provisions considered necessary by a committee. This subsection does not invalidate any marketing programs established under this act before the effective date of the amendatory act that added this sentence that are in substantial compliance with this act as determined by the director.

(3) A marketing agreement or marketing program that allows the committee to contract with organizations, agencies, governmental entities, institutions of higher education, individuals, or other legal entities in order to carry out the activities described in this act or allows the committee to award grants may provide in the marketing agreement or marketing program that the marketing program or marketing agreement be allowed to participate in the income or earnings of any royalties or license fees derived from the results of those activities. However, the marketing program or marketing agreement shall provide that the royalties or license fees be utilized only in the manner provided for in that marketing program or marketing agreement.

History: 1965, Act 232, Eff. Mar. 31, 1966;—Am. 1996, Act 216, Imd. Eff. May 28, 1996;—Am. 2002, Act 601, Imd. Eff. Dec. 20, 2002.