

**BEANS**  
**Act 114 of 1965**

AN ACT relating to dry, edible beans; to create a bean commission and prescribe its functions; to levy and collect assessments on bean production; and to provide penalties for violation of this act.

**History:** 1965, Act 114, Eff. Jan. 1, 1966.

*The People of the State of Michigan enact:*

**290.551 Definitions.**

Sec. 1. As used in this act:

- (a) "Beans" means Michigan dry, edible beans, except soybeans.
- (b) "Commission" means the Michigan bean commission.
- (c) "Director" means the director of the department of agriculture and rural development.
- (d) "Grower" means any business unit, including a family operation, sole proprietorship, partnership, corporation, company, association, trust, or other business organization engaged in the business of producing beans for sale within 1 of the past 3 years.
- (e) "Processor" means a person that cleans and grades, dries, dehydrates, cans, powders, extracts, cooks, or uses in producing or manufacturing a product or article, ships, or otherwise handles beans, including seed.
- (f) "Selection members" means the commission members selected and appointed for each district created under section 2 and the processor shipper handler member selected and appointed under section 4(2).
- (g) "Sold or shipped for processing" means that beans are loaded by the grower, in bulk or loose in bags or other containers, or packed in any style package, in a car, boat, truck, wagon, or other conveyance to be transported to a processor.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1980, Act 493, Imd. Eff. Jan. 21, 1981;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001;—Am. 2018, Act 9, Eff. Apr. 26, 2018.

**Transfer of powers:** See MCL 16.283.

**290.552 Division of state into districts.**

Sec. 2. For the purposes of this act, the state is divided into 7 districts:

- (a) District 1 consists of the counties of Arenac, Bay, and Midland plus all counties north of Midland County that are not otherwise designated in a district.
- (b) District 2 consists of the counties of Gratiot and Saginaw.
- (c) District 3 consists of the county of Tuscola.
- (d) District 4 consists of the counties of Genesee, Lapeer, Macomb, St. Clair, and Sanilac.
- (e) District 5 consists of the eastern half of the county of Huron using highway 53 as the western boundary.
- (f) District 6 consists of the western half of the county of Huron using highway 53 as the eastern boundary.
- (g) District 7 consists of the counties of Montcalm, Kent, Isabella, Mecosta, Eaton, Ingham, Clinton, and Shiawassee plus all counties west and south of this district not otherwise designated in a district.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1989, Act 144, Imd. Eff. June 29, 1989;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001;—Am. 2018, Act 9, Eff. Apr. 26, 2018.

**290.553 Michigan bean commission; creation; appointment, qualifications, and terms of members; ex officio members; reapportionment.**

Sec. 3. (1) The Michigan bean commission of 9 voting members is created, consisting of a grower from each district created under section 2, 1 member at large, and 1 processor shipper handler member under section 4(2). The director and the dean of the college of agriculture and natural resources of Michigan State University, or their designees, are ex officio members without vote. An appointed member must be of legal voting age in this state, and must be a citizen and resident of this state. Commission members, except for the processor member, must be or must have been engaged in the actual growing or producing of beans within the state.

(2) The terms of office of members of the commission are 3 years after the date of appointment or until their successors are appointed and qualified.

(3) Not less than 5 years after June 29, 1989 and every 5 calendar years after that date, the commission may, with the advice and consent of the director and the commission of agriculture and rural development, reapportion the districts described in section 2. Reapportionment of the districts must be on the basis of 1 or more counties with the amount of planted dry bean acreage being as nearly equal as possible between districts except that if 1 county constitutes greater than 20% of the total bean production within the state, then that

county may be divided into 2 or more relatively equal districts.

(4) After the reapportionment described in subsection (3), if the residence of a member of the commission falls outside of the district for which he or she serves on the commission and falls within the district for which another member serves on the commission, then both members shall continue to serve on the commission for a term equal to the remaining term of the member who served for the longest period of time. If after the reapportionment described in subsection (3) a district is created in which no member serving on the commission resides, then a member must be selected in a manner described in section 4(2).

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1989, Act 144, Imd. Eff. June 29, 1989;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001;—Am. 2018, Act 9, Eff. Apr. 26, 2018.

#### **290.554 Michigan bean commission; procedure for appointment of members; meetings; cessation of membership; vacancies; selection and appointment of member at large.**

Sec. 4. (1) The governor shall appoint the first members of the commission before January 31, 1966 with the advice and consent of the senate and without use of the nominating procedures provided in this section. Except as provided in subsection (4), the governor shall appoint subsequent members only from the lists of nominees submitted to him or her and subject to the advice and consent of the senate. If a list is not submitted to the governor at least 30 days before the term of office of a member would normally expire, or within 30 days after a vacancy otherwise occurs, the governor may appoint any individual who is otherwise qualified under this act.

(2) Except for a vacancy for a member at large as provided in subsection (4), a meeting of growers must be held in each district in each year when a vacancy occurs. The commission shall give notice of each meeting by at least 2 insertions in a farm publication of general circulation in the district where the meeting is to be held, with the final insertion to be at least 10 days before the meeting. The commission shall supervise the conduct of the meeting. Two nominees for members of the commission must be selected at each meeting and submitted to the governor. Appointment of a processor shipper handler member must be made only from any list submitted to the governor by the commission with 2 names submitted for the appointment of that member.

(3) A member of the commission who fails to meet the qualifications of this act shall cease to be a member of the commission. Except as provided in subsection (4), this vacancy or a vacancy for another reason must be filled by the governor for the unexpired term in the same manner as the original appointment.

(4) Beginning with the commission's first annual meeting following the effective date of the amendatory act that added this subsection and for every member at-large vacancy that follows, the selection members shall select and appoint the member at large at the commission's annual meeting.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001;—Am. 2018, Act 9, Eff. Apr. 26, 2018.

#### **290.555 Michigan bean commission; quorum; compensation and expenses; conducting business at public meeting; notice.**

Sec. 5. (1) A majority of the members of the commission constitutes a quorum for the transaction of business and for performing the duties of the commission. A member shall receive a per diem rate to be established by the commission on an annual basis which shall not exceed the rate allowed by law to state officers for each day spent in actual attendance at meetings of the commission, and traveling and other expenses incurred in connection with the business of the commission at the rate allowed by law to state officers, but shall not receive any other compensation or salary.

(2) The business which the commission may perform shall be conducted at a public meeting of the commission held in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1975, Act 61, Imd. Eff. May 20, 1975;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1978, Act 412, Imd. Eff. Sept. 28, 1978;—Am. 1980, Act 493, Imd. Eff. Jan. 21, 1981.

#### **290.556 Michigan bean commission; election of chairman, treasurer, and other officers; appointment and compensation of executive secretary.**

Sec. 6. The commission shall elect each year a chairman, a treasurer, and other officers it deems advisable. The commission, as often as it deems advisable, shall appoint an executive secretary and fix his compensation.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977.

#### **290.557 Bean commission; deposit of money received; treasurer's bond; "financial**

**institution” defined.**

Sec. 7. (1) Money received by the commission, or any other state official, from the assessments under this act, shall be deposited in a financial institution as the commission designates, and the money shall be disbursed only by order of the commission.

(2) The treasurer of the commission shall file with the commission a fidelity bond executed by a surety company authorized to do business in this state, in favor of the commission and the state, jointly and severally, for the faithful performance of his or her duties and the strict accounting of all funds of the commission. The amount of the bond shall be determined by the commission.

(3) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and which maintains a principal office or branch office located in this state under the laws of this state or the United States.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1997, Act 36, Imd. Eff. June 30, 1997.

**290.558 Bean commission; body corporate, seal, records as evidence.**

Sec. 8. The commission is a body corporate and may sue and be sued and contract and be contracted with. The commission shall adopt a seal. Copies of the proceedings, records and acts of the commission, when certified by the secretary and authenticated by the seal, shall be admissible in evidence in all courts of this state, and shall be prima facie evidence of the truth of all statements therein contained.

**History:** 1965, Act 114, Eff. Jan. 1, 1966.

**290.559 Bean commission; state and employees not liable for acts; disbursements.**

Sec. 9. The state is not liable for the acts of the commission or its contracts. All disbursements shall be limited to the funds collected by the commission, and no member of the commission or any employee or agent thereof is liable on the contracts of the commission. All salaries, expenses, costs, obligations and liabilities incurred by the commission are payable only from funds collected by the commission under this act, except that any moneys obtained through donations and gifts or provided by a governmental agency may be used within limits stipulated by the donor or governmental agency.

**History:** 1965, Act 114, Eff. Jan. 1, 1966.

**290.560 Michigan bean commission; powers and duties generally; prohibitions.**

Sec. 10. (1) The commission shall perform the following:

(a) Adopt, amend, or rescind rules, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.228, for the exercise of its powers and performance of its duties.

(b) Administer this act and investigate violations of this act, and perform all acts and exercise all powers reasonably necessary to implement this act.

(c) Employ and discharge employees as it considers necessary, prescribe their powers and duties, and fix their compensation.

(d) Establish offices, incur expenses, enter into contracts and agreements, and create liabilities, when reasonable, for the proper administration and enforcement of this act.

(e) Enter into in the name of the commission necessary advertising contracts and other agreements and cooperate with and support national and state associations of bean growers or processors in implementing this act.

(f) Keep accurate books, records, and accounts of all commission dealings, which shall be open to inspection by the public, and shall be audited by the auditor general or by a certified public accountant. A writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function shall be made available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(g) Promote research on bean varieties and agronomic practices.

(h) Promote scientific research to develop and discover the health, food, therapeutic, nutritional, and dietetic value of beans and bean products.

(i) Carry out market development, market research, and promotional programs.

(j) Compile and publish commodity information.

(2) The commission may develop, publish, and dispense to growers information pertaining to markets and marketing, and shall include such items as competing production areas, practices, crop production, crop conditions, crop prices, and other factors affecting the pricing structure of dry beans throughout the world.

(3) The commission shall not be a party to a procedure which includes price setting or production quotas. The commission shall not engage in marketing or an activity which would result in the setting up of a

marketing order.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1978, Act 412, Imd. Eff. Sept. 28, 1978;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001.

#### **290.561 Enforcement; reimbursement for costs.**

Sec. 11. The state department of agriculture or its agents shall enforce this act. The commission shall reimburse the department for costs incurred by the department in such enforcement. Such funds received by the department are hereby appropriated for the department's use.

**History:** 1965, Act 114, Eff. Jan. 1, 1966.

#### **290.562 Grower assessment on beans grown and produced.**

Sec. 12. (1) A grower assessment of 10 cents per hundredweight, when sold or shipped, is levied and imposed upon all beans grown and produced in this state in the year 2000, and annually thereafter. The grower or certified seed grower shall pay the assessment.

(2) The first receiver who purchases or receives beans from growers shall deduct the assessment from the price paid and remit it to the commission on or before the fifteenth of the following month.

(3) The commission may set a reasonable fee for the collecting of assessments from growers.

(4) Money levied and collected under this act shall be spent for purposes authorized by this act.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1974, Act 117, Imd. Eff. May 23, 1974;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001.

#### **290.562a Assessment on beans grown and produced; payment; report; use; research advisory board; referendum.**

Sec. 12a. An assessment of 1 cent per hundredweight is levied and imposed upon all beans grown and produced in this state in the year 1974, and annually thereafter. The first receiver who purchases or receives beans from growers shall pay the assessment. The assessment paid by the first receiver shall be reported and remitted to the commission in the same manner as the grower assessment. The first receiver assessment shall be used solely for the funding of dry edible bean research by the commission in cooperation with the Michigan bean shippers association. The commission shall appoint a research advisory board to aid in administration of funding of the research. At least 1/2 of the advisory board shall be dealer members of the Michigan bean shippers association. Moneys generated by the first receiver assessment shall be deposited in such banks as the commission designates but this fund shall be kept separate from other moneys or funds received by the commission. Three years after the effective date of this section, the commission, upon receipt of a petition bearing the signatures of at least 25% of the first receivers, but with not more than 1/2 of them from 1 district, the commission shall conduct a referendum to determine whether or not the commission shall continue to levy the first receiver assessment for research. If a majority of the first receivers voting, vote against assessment of first receivers for research, the commission shall discontinue the first receiver assessment. The referendum shall be conducted by the commission within 60 days after receipt of a petition.

**History:** Add. 1974, Act 117, Imd. Eff. May 23, 1974.

#### **290.562b Changing method or amount of assessment; referendum; implementation of proposed change.**

Sec. 12b. (1) The commission may change the method or the amount of the assessment imposed in section 12, or both, by complying with this section.

(2) If the commission proposes a change as described in subsection (1), then it shall conduct a referendum of growers relative to any such change.

(3) After a referendum, the commission shall implement a proposed change if more than 50% of the growers voting approve any proposed change and those voters represent more than 50% of the hundredweight voting.

**History:** Add. 1989, Act 144, Imd. Eff. June 29, 1989.

#### **290.563 Repealed. 1976, Act 403, Imd. Eff. Jan. 5, 1977.**

**Compiler's note:** The repealed section pertained to election to become nonparticipating grower.

#### **290.564 Supplemental assessment for special projects; referendum to determine rate; collection.**

Sec. 14. (1) Whenever 800 of the growers, of which not more than 200 are in the same district, petition the commission, the commission shall conduct a referendum among the growers of the state to determine the rate of supplemental assessment for special projects.

(2) The supplemental assessment provided for in subsection (1) shall be collected and remitted to the commission in the same manner as provided in section 12. The referendum shall be conducted in a manner to protect the purity of the ballot.

(3) If a majority of the growers voting upon the question vote in favor of the proposed change, the assessment shall be ineffective in the year in which it is voted unless the change is published before June 1 of that year.

(4) The total rate of supplemental assessment shall not exceed 25 cents per hundredweight.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1980, Act 493, Imd. Eff. Jan. 21, 1981;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001.

#### **290.565 Records of first receiver; preservation; availability; records of grower processing or retailing own production.**

Sec. 15. A first receiver shall keep complete and accurate records of the number of pounds of beans purchased from each grower by the receiver during each calendar year. The records shall be preserved for 2 years, and shall be available to the commission or the commission's authorized agent upon request. A grower processing or retailing the grower's own production shall keep the records prescribed in this section.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1980, Act 493, Imd. Eff. Jan. 21, 1981.

#### **290.566 Violation; penalties; prosecution.**

Sec. 16. (1) Except as provided in subsection (2), a person who violates or aids in the violation of this act, is guilty of a misdemeanor.

(2) A member of the commission who intentionally violates section 5(2) shall be subject to the penalties prescribed in Act No. 267 of the Public Acts of 1976.

(3) A prosecution under this act may be instituted in a county in this state in which the violation was committed, or in which a defendant resides or has a principal place of business.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1978, Act 412, Imd. Eff. Sept. 28, 1978.

#### **290.567 Referendum on continuation of commission functions; referendum on termination of commission; petition; notice; hearings; cessation of operations and transfer of assets; voting; submitting ballot to legislative committees for review.**

Sec. 17. (1) Five years after the latest referendum held under this section, the department of agriculture shall conduct a referendum at which growers shall vote whether or not the commission shall continue to levy the assessments and otherwise carry out this act. If a majority of the growers voting who represent a majority of the hundredweight sold in any 1 of the previous 3 years of those voting, vote against having the commission continue to function, the commission shall cease its operations and deliver its assets to the director who shall transfer the assets to Michigan state university for bean research. A grower is entitled to 1 vote and the grower must be able to verify the hundredweight claimed as being sold as indicated on the ballot.

(2) Upon written petition signed by at least 200 growers but with not more than 100 of them from any 1 district, the director shall, within 30 days, give 10 days' notice and hold a hearing on termination of the commission. Within 45 days after the close of the hearings, the director shall conduct a referendum to determine whether the growers assent to the proposed action. The commission is terminated if a majority by number of those voting, representing a majority of the hundredweight sold in any 1 of the previous 3 years of those voting, vote against its continuation. The commission shall then cease its operations and deliver its assets to the director who shall transfer the assets to Michigan state university for bean research. A referendum described in this subsection shall not be conducted within 1 year before or after any other referendum. A grower is entitled to 1 vote and the grower must be able to verify the hundredweight claimed as being sold as indicated on the ballot.

(3) Not less than 30 days before the referendum required by subsection (1), the department of agriculture shall submit for review the ballot to be used in conducting the referendum to the senate's and the house of representatives' standing committees dealing primarily with agricultural issues.

**History:** 1965, Act 114, Eff. Jan. 1, 1966;—Am. 1976, Act 403, Imd. Eff. Jan. 5, 1977;—Am. 1980, Act 493, Imd. Eff. Jan. 21, 1981;—Am. 2000, Act 484, Imd. Eff. Jan. 11, 2001.

#### **290.568 Effective date.**

Sec. 18. This act shall take effect January 1, 1966.

**History:** 1965, Act 114, Eff. Jan. 1, 1966.