

## **BEEF INDUSTRY COMMISSION ACT**

### **Act 291 of 1972**

AN ACT relating to bovine meat animals; to create a beef promotion, consumer marketing, industry information, research and education program; to prescribe the powers and duties of the governing commission; to prescribe the method of obtaining moneys to implement and administer the provisions of the act; to provide for penalties; and to provide for termination of the program.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972.

*The People of the State of Michigan enact:*

#### **287.601 Short title.**

Sec. 1. This act shall be known and may be cited as the "beef industry commission act".

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972.

#### **287.602 Definitions.**

Sec. 2. As used in this act:

(a) "Cattle" means ruminating and nonruminating bovine animals sold for slaughter, ruminating and nonruminating bovine animals produced in this state to be fed for slaughter, and ruminating and nonruminating bovine animals to be fed for slaughter and sold in this state more than 30 days after arrival in this state.

(b) "Commission" means the state beef industry commission.

(c) "Department" means the state department of agriculture.

(d) "Person" means a natural person, partnership, corporation, company, association, society, or trust, or other business unit or organization.

(e) "Market agency" means a person, including a producer, who sells, offers for sale, markets, distributes, trades, or processes cattle which have been purchased or acquired from a producer or other, or which is marketed on behalf of a producer, and includes meat packing firms and their agents which purchase or consign to purchase cattle. The owner or operator of a livestock sales yard is the exclusive market agency for sales made at that yard.

(f) "Producer" means a person who raises or feeds cattle for market.

(g) "Director" means the director of the state department of agriculture.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1983, Act 154, Imd. Eff. July 18, 1983.

#### **287.603 Commission; creation; appointment, qualifications, and terms of members; lists.**

Sec. 3. (1) The state beef industry commission is created within the department. The commission shall be composed of 11 members, 2 of whom shall be ex officio and without vote. The following voting members shall be appointed by the governor with the consent of the senate for terms of 3 years:

(a) Two members engaged in the raising, breeding, or growing of cattle or calves for beef production.

(b) Three members engaged in the feeding of cattle for beef production.

(c) One member engaged as a dairyman in the production of fluid milk.

(d) One member who is an executive of a meat packing company which purchases cattle and processes beef.

(e) One member engaged in the operation of a public livestock marketing firm.

(f) One member engaged in retail sales of beef.

(2) One ex officio member shall be selected by the director and 1 by the chairperson of the animal science department of Michigan state university.

(3) The governor shall select a minimum of 2 of the members engaged in the feeding of cattle for beef production from a list submitted by the Michigan cattlemen's association, inc. The list submitted shall contain twice the number of names required to fill the available positions. The governor shall solicit similar lists of qualified candidates for other commission vacancies from appropriate industry organizations.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1983, Act 154, Imd. Eff. July 18, 1983;—Am. 1984, Act 143, Imd. Eff. June 21, 1984.

#### **287.604 Commission; duties; compensation; personnel; contracts; appropriations; rules.**

Sec. 4. (1) The commission shall:

(a) Annually elect a chairperson, secretary, and treasurer from the members of the commission.

(b) Meet not less often than once each calendar quarter and at any other time as set by the chairperson or

requested by 4 or more members.

(c) Receive and distribute funds, and make arrangements for financial affairs for these purposes including banking, accounting, and other services as needed.

(d) Prepare an annual report that shall include a full description of all activities of the commission including a detailed financial statement certified by the auditor general or a certified public accountant appointed by the auditor general. The report shall be given to the governor and the director and made available to the affected producers.

(2) Voting members of the commission shall receive \$50.00 per day for each day spent in actual attendance at meetings of the commission and on other official activities approved by the commission, together with travel expense in accordance with standard travel regulations of the department of management and budget.

(3) The commission may employ personnel and enter into other contracts as necessary to carry out the commission's duties.

(4) The commission may make annual appropriations to the national livestock and meat board of not more than 50% of the money collected under this act.

(5) The commission may adopt procedures and promulgate rules necessary for the exercise of powers and the performance of duties under this act. The rules shall be promulgated pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1976, Act 238, Imd. Eff. Aug. 4, 1976;—Am. 1983, Act 154, Imd. Eff. July 18, 1983.

#### **287.605 Purposes and objectives of commission's program.**

Sec. 5. The program created and organized by this act is the state beef industry commission. The purposes and objectives of the commission's program may include but shall not be limited to:

(a) The promotion of the sale, use of beef and beef products in this state.

(b) The support of the beef promotion, research, education, consumer marketing and other activities of the national livestock and meat board.

(c) Conducting or contracting with an accredited university, college or other institution for scientific research on any or all phases of beef production and marketing or promotion.

(d) Dissemination of reliable information benefiting the consumer and the beef industry on such subjects as purchase, pricing, identification, care, cookery, serving, nutritive and economic value of beef and beef products.

(e) Functioning in a liaison capacity between the beef industry and other food industry of the state in matters which ultimately benefit both consumers and industry.

(f) Aiding in the development of practices within the industry tending to improve the quality of the air and waters of the state.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972.

#### **287.606 Assessments; collection; records; report; duties of market agency; commission expenses.**

Sec. 6. (1) The commission may make an assessment of not more than 1/10 of 1% of gross receipts from sale of all cattle raised or fed in the state and shall impose the assessment upon all producers. The assessment collected from each producer shall be used to defray the commission's program and administrative costs.

(2) All market agencies shall keep as a part of the permanent records a record of all purchases and sales which records shall be open for inspection at all times.

(3) Market agencies shall collect the assessments from the producers at no cost to the commission. Assessments collected by a market agency from a producer shall be held in trust for the commission in a separate account until transferred to the commission. The market agency is the trustee of the assessments until the transfer.

(4) Each market agency shall file a report with the commission stating the quantity of cattle received, sold, or shipped by the market agency on forms approved by the director and provided by the commission. The report prepared by the market agency shall be due at least once a month. With the filing of the report, the market agency shall pay to the commission the assessment provided for in this act. A producer who functions as a market agency shall be responsible for remitting assessment payments on that producer's own production of cattle.

(5) Except as otherwise provided in this subsection, the operational and administrative expenses of the commission shall be paid entirely by assessments collected under this act. Other state funds may be appropriated for expenses of a program under section 5. The commission may accept and expend money from

sources other than state appropriations for achieving the purposes of section 5.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1983, Act 154, Imd. Eff. July 18, 1983.

**287.607 Failure to file report or pay assessment or falsification of information as misdemeanor; penalty; order to pay assessment; interest on unpaid assessment.**

Sec. 7. (1) A market agency or a producer which fails to file a report or to pay an assessment or which falsifies an affidavit, record, receipt, voucher, or other information required to be maintained by this act is guilty of a misdemeanor, punishable by a fine of not more than \$1,000.00 or imprisonment for not more than 90 days, or both. However, an offending party shall be allowed 30 days after an order to pay an assessment within which to pay the assessment. A penalty for a violation of this act shall not be imposed before this 30-day period expires.

(2) If an assessment is not paid when due, the assessment shall be subject to an 18% annual interest charge.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1983, Act 154, Imd. Eff. July 18, 1983.

**287.608 Enforcement of act; reimbursement.**

Sec. 8. Employees and agents of the department shall enforce this act. The commission shall reimburse the department in the enforcement of the act. Such funds received by the department are appropriated for the department's use.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972.

**287.609 Exemption of assessments prohibited; referendum; petition; ballots; costs; termination of programs; payment of debts; disposition of unexpended or unencumbered funds.**

Sec. 9. (1) An exemption shall not be made of an assessment required to be imposed under this act.

(2) After the first 5 full calendar years of operation the commission shall conduct a referendum to determine if the program shall be continued. The program shall be terminated only if, in a referendum, more than 50% of the affected producers who pay more than 50% of the assessments vote in favor of the program's termination.

(3) Upon written petition signed by 500 of the producers affected by the program during the previous calendar year, the director, within 100 days, shall conduct a referendum to determine if the marketing program shall be terminated. A program shall be terminated only if more than 50% of the affected producers who pay more than 50% of the assessments vote in favor of its termination.

(4) In a referendum, the director shall mail a ballot to each affected producer of record. Ballots shall also be made available through livestock sales yards, extension offices, and the commission upon request.

(5) The commission shall pay the costs of conducting a referendum.

(6) Upon termination of the program, the commission shall assure payment of all debts incurred by the program. Unexpended or unencumbered funds remaining in the account of the commission at the time of termination shall be paid into the state general fund.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972;—Am. 1976, Act 238, Imd. Eff. Aug. 4, 1976;—Am. 1978, Act 284, Imd. Eff. July 6, 1978;—Am. 1983, Act 154, Imd. Eff. July 18, 1983.

**287.609a Veal producers; assessment; "veal" defined.**

Sec. 9a. (1) Veal producers who pay an assessment of at least 1/10 of 1% of gross receipts under a veal marketing program pursuant to Act No. 232 of the Public Acts of 1965, being sections 290.651 to 290.674 of the Michigan Compiled Laws, are exempt from this act.

(2) For the purposes of this section, "veal" means nonruminating bovine animals raised entirely on a formulated milk-soymilk ration.

**History:** Add. 1983, Act 154, Imd. Eff. July 18, 1983.

**287.610 Falsification of affidavits, records, receipts, or information.**

Sec. 10. A person who falsifies any affidavit, record, receipt, voucher or any information required to be maintained by this act is guilty of a misdemeanor.

**History:** 1972, Act 291, Imd. Eff. Oct. 30, 1972.