



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 461 (as passed by the Senate)
 Sponsor: Senator Joel D. Gougeon
 Committee: Agriculture and Forestry

Date Completed: 8-17-95

RATIONALE

Under the Agricultural Commodities Act, producers of an agricultural commodity may petition the Director of the Department of Agriculture for the adoption of a marketing program. A program may provide for such activities as the establishment of advertising, promotional, market development, and supplemental research programs; the development of market information; and, the establishment of quality, condition, or size standards. Once a marketing program is created, assessments must be collected from each producer of the commodity and a commodity committee is established. A committee is appointed by the Governor with the advice and consent of the Senate, and is responsible for specific functions such as developing administrative procedures relating to the program and developing methods for assessing producers and collecting the funds.

The Act defines "agricultural commodity" as all agricultural, horticultural, floricultural or vineyard products, livestock or livestock products, poultry or poultry products, bees, maple syrup and honey, produced in the State, either in their natural state or as processed by the producer. The Act also specifies that the kinds, types, and subtypes of products to be classed together as an agricultural commodity must be determined on the basis of common usage and practice. There apparently is some interest among businesses involved in the cultivation of nursery stock and the domestic production of certain fish to establish for their commodities a marketing program under the Act. Some people believe that the definition of an agricultural commodity should be amended to include these commodities.

CONTENT

The bill would amend the Agricultural Commodities Marketing Act to add aquacultural and silvicultural products to the definition of "agricultural commodity" and to delete Christmas trees from that definition.

MCL 290.652

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Under the Agricultural Commodities Marketing Act, producers of an agricultural commodity, such as cherries, may petition the Department of Agriculture to establish a marketing program for that particular commodity. The Act specifies the number of signatures needed on a petition as well as the process for conducting a referendum of the producers, establishing a commodity committee, and collecting from producers an assessment to defray the costs of the program. A marketing program not only provides for the advertising and promotion of a commodity, but also supports research programs designed to improve its market acceptability. Persons involved in producing nursery stock and raising fish for commercial purposes, such as selling to restaurants, reportedly are interested in establishing commodity programs for their products. The Act, however, does not include these products within the definition of an agricultural commodity. By including aquacultural and silvicultural products within the definition, the bill would enable

producers of nursery stock and fish to seek to establish marketing programs under the Act.

Response: Although the term aquacultural products generally refers to aquatic organisms, such as fish, and silvicultural products refers to forestry products, such as tree seedlings, it should be noted that neither term is defined in the bill.

Opposing Argument

The bill's supporters explain that by including aquacultural products within the definition of an agricultural commodity, the bill would allow persons who raise fish, such as brook trout or catfish, for human consumption to establish a marketing program to promote their products to restaurants, for example. There is some concern, however, that persons could seek to raise endangered or exotic species of fish and try to market them through a program under the Act.

Response: The Agricultural Commodities Marketing Act could not be used as a means for marketing exotic species since the Department of Natural Resources is responsible for their protection under the Natural Resources and Environmental Protection Act.

Legislative Analyst: L. Arasim

FISCAL IMPACT

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

Fiscal Analyst: A. Rich

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.