

SUBSTITUTE FOR
SENATE BILL NO. 1396

A bill to amend 1939 PA 141, entitled
"Grain dealers act,"
by amending section 8 (MCL 285.68), as amended by 2002 PA 80.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) A grain dealer shall pay a license fee to the
2 department with an application for a license or renewal of a
3 license. The license fee is the sum of all of the following that
4 apply to the grain dealer:

- 5 (a) For each receiving point of the grain dealer that
6 has total bushel capacity of:
- | | |
|----------------------------------------------------------|----------|
| 7 (i) 100,000 or less..... | \$150.00 |
| 8 (ii) More than 100,000 and 200,000 or less..... | \$225.00 |
| 9 (iii) More than 200,000 and 300,000 or less..... | \$300.00 |
| 10 (iv) More than 300,000 and 400,000 or less..... | \$375.00 |

1	(v) More than 400,000.....	\$450.00
2	(b) For vehicles owned by a farm produce trucker:	
3	(i) For 1 vehicle.....	\$200.00
4	(ii) For each additional vehicle.....	\$100.00
5	(c) For a grain merchandiser's license.....	\$450.00

6 (2) The grain dealer's fees fund is created in the state
7 treasury. The department shall deposit license fees and
8 administrative fines received under this act in the grain
9 dealer's fees fund, to be used pursuant to legislative
10 appropriation by the director in carrying out those duties
11 required by law. After the payment of the amounts appropriated by
12 the legislature for the necessary expenses incurred in the
13 administration of this act, the money remaining in the grain
14 dealer's fees fund shall not revert or be credited to the general
15 fund at the close of the fiscal year but shall remain in the
16 grain dealer's fees fund. **THE DEPARTMENT SHALL BE THE**
17 **ADMINISTRATOR OF THE FUND FOR AUDIT PURPOSES.**

18 (3) A license fee determined pursuant to subsection (1) is
19 the fee for a 1-year license. If the department has issued a
20 license for a period of longer than 1 year under section ~~4(3)~~,
21 **4(4)**, it shall require a license fee increased on a proportionate
22 basis to reflect the longer term of the license.

23 (4) Every ~~3 years~~, **YEAR**, the department may adjust the fee
24 schedule in subsection (1) by an amount determined by the state
25 treasurer to reflect the cumulative annual percentage change in
26 the Detroit consumer price index over the ~~3-year~~ **1-YEAR** period.
27 An adjustment under this subsection shall not exceed 5% even if

1 the amount determined by the state treasurer to reflect the
2 cumulative annual percentage change over the ~~3-year~~**1-YEAR** period
3 is more than 5%. A fee adjusted under this subsection shall be
4 rounded to the nearest ~~whole dollar~~**\$5.00 INCREMENT**. As used in
5 this subsection, "Detroit consumer price index" means the most
6 comprehensive index of consumer prices available for the Detroit
7 area from the bureau of labor statistics of the United States
8 department of labor.

9 (5) NOTWITHSTANDING SECTION 27(1), GRAIN DEALERS THAT FILE
10 AN AUDITED FINANCIAL STATEMENT THAT COMPLIES WITH SECTION 9 AND
11 THAT REPORTS A CURRENT ASSET TO CURRENT LIABILITY RATIO OF 1.2 TO
12 1 AND AN EQUITY RATIO (EQUITY/(TOTAL LIABILITY + EQUITY)) OF 0.25
13 OR GREATER ARE NOT REQUIRED TO HAVE A BOND AS REQUIRED BY SECTION
14 27(1).