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BILL ANALYSIS



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House Bill 4623 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Neil Nitz  
House Committee: Agriculture  
Senate Committee: Agriculture, Forestry and Tourism

Date Completed: 6-15-05

### **RATIONALE**

Public Act 29 of 1970 established the State Potato Industry Commission to promote Michigan's potato industry. The membership of the Potato Industry Commission includes 10 growers, two processors, two shippers, and one retailer appointed by the Governor with the advice and consent of the Senate. The Commission also includes the Director of the Michigan Department of Agriculture (MDA), or his or her designee, and a staff member of Michigan State University appointed by the Dean of Agriculture, who serve as nonvoting, ex officio members. Eight of the growers must be appointed to represent seven districts throughout the State. District 1, which consists of the Upper Peninsula, is represented by two growers. The remaining six districts are represented by one grower each. The ninth and 10<sup>th</sup> growers serve at large. (The districts are described in **BACKGROUND**, below.)

Although the size of the Commission and the apportionment of the districts have remained unchanged since 1970, the number of potato farmers in the State has fallen considerably as farming operations have consolidated or shifted to other uses. According to the Potato Growers of Michigan, there were approximately 700 commercial potato growers farming at least five acres in 1970, but that number dropped to 500 by 1986 and now stands at 101. Apparently, this has made it difficult to attract growers to serve on the Commission in areas where potato production is not significant. To address this situation, it has been suggested that the Commission be authorized to change the number of its members and/or reapportion its districts.

### **CONTENT**

**The bill would amend Public Act 29 of 1970 to authorize the State Potato Industry Commission to reapportion the number of Commission members and/or the member districts, with the advice and consent of the Agriculture Commission and the Director of the Michigan Department of Agriculture.**

Reapportionment of the districts would have to be on the basis of production or industry representation.

Reapportionment could begin 30 days after the bill's effective date. Reapportionment of either members or districts could not occur more than twice in any five-year period, and could not occur within six months before a referendum.

After reapportionment, if a member's residence fell outside the district he or she was representing, and fell within another member's district, both members would continue to serve on the Commission for a term equal to the remaining term of the member who served for the longer period of time.

If reapportionment created a district within which no member serving on the Commission resided, then a member would have to be selected as prescribed in Section 2 of the Act (the section the bill would amend, which includes provisions for filling a vacancy). After a reapportionment or redistricting, the Commission temporarily could have more members than prescribed by Section 2 until the term of the longest-serving member from a district expired.

The bill specifies that, in the case of a reapportionment, the provisions of the bill would prevail over any conflicting provisions of Section 2.

MCL 290.442

## **BACKGROUND**

Public Act 29 of 1970 requires the State Potato Industry Commission to foster, develop, and promote Michigan's potato industry through research, advertising, market expansion, education, the development of new markets, and the development and dissemination of market and industry information. To fund the Commission's activities, the Act requires growers and shippers to pay an assessment on potatoes grown in the State.

Every five years, the Commission must conduct a referendum at which growers vote on whether the Commission is to continue levying the assessment and otherwise carrying out the Act. The Act also provides for referenda on whether to terminate the assessment on shippers, or whether to terminate the Commission, if the MDA Director receives petitions containing a sufficient number of signatures.

Growers on the Commission represent the following districts:

District 1: Upper Peninsula

District 2: Antrim, Benzie, Charlevoix, Clare, Crawford, Emmet, Grand Traverse, Kalkaska, Lake, Leelanau, Manistee, Mason, Missaukee, Osceola, Otsego, Roscommon, and Wexford Counties

District 3: Alcona, Alpena, Iosco, Montmorency, Ogemaw, Oscoda, and Presque Isle Counties

District 4: Isabella, Kent, Mecosta, Montcalm, Newago, and Oceana Counties

District 5: Arenac, Bay, Gladwin, Gratiot, Huron, Midland, Saginaw, Sanilac, and Tuscola Counties

District 6: Allegan, Barry, Berrien, Branch, Calhoun, Cass, Clinton, Eaton, Ionia, Kalamazoo, Muskegon, Ottawa, St. Joseph, and Van Buren Counties

District 7: Genesee, Hillsdale, Ingham, Jackson, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Shiawassee, Washtenaw, and Wayne Counties

## **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**

The Potato Industry Commission is similar to commodity committees established for other types of crops, such as apples, carrots, and soybeans, under the Agricultural Commodities Marketing Act. Like the potato industry, those segments of the farming community also have fewer producers than before due to consolidations within the industry. To address this, Public Act 601 of 2002 amended the Agricultural Commodities Marketing Act to reduce the maximum size of a commodity committee and authorize a committee to reapportion the number of members and/or member districts, with the advice and consent of the MDA Director and the Agriculture Commission. These amendments already have been used to downsize the carrot committee.

House Bill 4623 (H-1) essentially would replicate the provisions of Public Act 601. Since the potato industry has changed in the past 35 years, the Commission charged with representing potato producers also should be updated. By reducing its size or reapportioning its districts, the Commission could reflect the current state of the industry and better serve its constituency.

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

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

Fiscal Analyst: Craig Thiel

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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.