



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

JAMIE CLOVER ADAMS
DIRECTOR

August 31, 2016

TO ALL MICHIGAN GRAIN DEALERS:

Governor Rick Snyder recently signed legislation [Public Acts 263 ([SB 899](#)) and 264 ([SB 900](#)) of 2016], which becomes effective September 26, 2016, amending the [Grain Dealers Act](#) and the [Farm Produce Insurance Act](#) to improve producer security protection while providing a level playing field for grain dealers.

One of the main provisions of the legislation that requires clarification is in PA 263. This amends the Grain Dealers Act by requiring a financial statement to include a statement or letter from the certified public accountant (CPA) reviewer. This statement or letter from the CPA must acknowledge that the Michigan Department of Agriculture and Rural Development relies on the financial statement in determining whether the grain dealer met the allowable net asset requirement in Section 3(3) of Grain Dealer Act, MCL 285.63(3). This is a requirement for all grain dealers who file an application for licensure.

Below is the Department's suggested language that the CPA can submit for compliance with this requirement:

The preparer of this financial statement acknowledges that the Michigan Department of Agriculture and Rural Development is relying on these financial statements in determining whether the grain dealer meets the allowable net asset requirement under section 3(3) of the Grain Dealers Act, MCL 285.63(3).

For additional information, please visit our website at www.michigan.gov/graindealers. If you have any questions, please contact me at 517-284-5642 or haarerj@michigan.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Haarer", with a long horizontal line extending to the right.

Jeff G. Haarer, CPA, JD, Manager
Producer Security and Ag Products

JGH/hct