89 (Rev. 04-15)



STATE OF MICHIGAN DEPARTMENT OF TREASURY LANSING

NICK A. KHOURI STATE TREASURER

RICK SNYDER GOVERNOR

DATE: November 14, 2016

TO: Jamie Clover-Adams Director, Department of Agriculture and Rural Development

FROM: Nick Khouri State Treasurer

SUBJECT: Grain Dealer License Fee Inflationary Adjustment:

MCL 285.68(8)(4) provides

Every year, the department [Department of Agriculture and Rural Development (MDARD)] may adjust the fee schedule in subsection (1) by an amount determined by the state treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index over the 1-year period. An adjustment under this subsection shall not exceed 5% even if the amount determined by the state treasurer to reflect the cumulative annual percentage change over the 1-year period is more than 5%. A fee adjusted under this subsection shall be rounded to the nearest \$5.00 increment. As used in this subsection, "Detroit consumer price index" means the most comprehensive index of consumer prices available for the Detroit area from the bureau of labor statistics of the United States department of labor.

In fiscal year 2016, the Detroit consumer price index rose 1.0 percent. Therefore, MDARD may increase the fees specified in 285.68(8)(1) by 1.0 percent for calendar year 2017.

Below are tables of the fee amounts that MDARD levied in calendar year 2016 and the fee amounts that MDARD may levy in calendar year 2017:

Grain Dealer Bushel Capacity	CY 2016 Fee Amount	CY 2017 Fee Amount
100,000 or less	\$500	\$505
100,001-200,000	\$625	\$630
200,001-300,000	\$750	\$760
300,001-400,000	\$875	\$885
More than 400,000	\$1,000	\$1,010

Vehicles Owned by Farm Produce Trucker	CY 2016 Fee Amount	CY 2017 Fee <u>Amount</u>
One Vehicle	\$500	\$505
Each Additional Vehicle	\$200	\$200

Grain Merchandiser's	CY 2016 Fee	CY 2017 Fee
License Fee	Amount	Amount
	\$500	\$505

Please call Jay Wortley (3-2697) or me (1-2624) if you have any questions.

cc: Jeff Haarer, Department of Agriculture and Rural Development – PPPM-Agricultural Products and Producer Security

Becki Gresh, Department of Treasury