

**MICHIGAN COMMISSION OF AGRICULTURE
Michigan Municipal League
208 N. Capitol Avenue
Lansing, Michigan 48933**

**MEETING MINUTES
JANUARY 11, 2011**

PRESENT:

Don Coe, Vice Chairperson, Michigan Commission of Agriculture
Velmar Green, Secretary, Michigan Commission of Agriculture
Jennifer Fike, Michigan Commission of Agriculture
Diane Hanson, Michigan Commission of Agriculture
Bob Kennedy, Michigan Commission of Agriculture
Keith Creagh, Director, Michigan Department of Agriculture

CALL TO ORDER AND ROLL CALL

Vice Chairperson Coe called the meeting of the Commission of Agriculture to order at 10:01 a.m. on January 11, 2011. Commissioner Green called the roll with Commissioners Coe, Fike, Green, Hanson, and Kennedy, and Director Creagh present.

APPROVAL OF AGENDA

Commissioner Coe proposed to add three items to the agenda: welcoming of new commissioners, election of new officers, and welcoming the new Director.

MOTION: COMMISSIONER GREEN MOVED TO APPROVE THE MEETING AGENDA FOR JANUARY 11, 2011. SECONDED BY COMMISSIONER KENNEDY. MOTION CARRIED.

WELCOME NEW COMMISSIONERS

Commissioner Coe welcomed the two newly appointed Commissioners of Agriculture, Commissioner Diane Hanson from the Upper Peninsula, and Commissioner Bob Kennedy from St. Charles.

Commissioner Hanson advised she is from the small town of Cornell, where she and her husband and two sons operate a seed potato farm. They raise approximately 240 acres of potatoes with small grains, hay, and some feed cattle. The farm was started in the 1920s by her grandfather and her sons are now in the process of taking over the operation.

Commissioner Kennedy reported he was raised on a small family farm and is still part of that operation. The company for which he works is Auburn Bean and Grain in central Michigan, which encompasses grain elevators and fertilizer companies. He is active in the Michigan Agri-Business Association and looks forward to the opportunity to serve on the Commission.

Commissioner Coe extended his appreciation to the Governor's Appointments Office for quickly filling the open positions on the Commission of Agriculture. He also expressed appreciation on behalf of the Commission to retiring Commissioners Regis and Herioux, as well as the department, for their outstanding service to the Commission, the State of Michigan, and the agriculture industry.

ELECTION OF NEW OFFICERS

Commissioner Coe suggested the 2011 slate of officers for the Commission of Agriculture to be: Commissioner Coe as Chairperson, Commissioner Green as Vice Chairperson, and Commissioner Fike as Secretary.

MOTION: COMMISSIONER GREEN MOVED TO APPROVE THE NEW OFFICERS OF COMMISSIONER COE AS CHAIRPERSON, COMMISSIONER GREEN AS VICE CHAIRPERSON, AND COMMISSIONER FIKE AS SECRETARY. SECONDED BY COMMISSIONER FIKE. MOTION CARRIED.

WELCOME NEW DIRECTOR

Commissioner Coe welcomed Keith Creagh, appointed by the Governor as the new director for the Michigan Department of Agriculture (MDA). During the appointments process, Commissioners expressed concern regarding continuity, and experience and knowledge about agriculture issues. The appointment of an individual who has had a long-standing relationship within MDA should serve the department well.

APPROVAL OF DECEMBER 15, 2010, MEETING MINUTES

MOTION: COMMISSIONER FIKE MOVED TO APPROVE THE DECEMBER 15, 2010, MEETING MINUTES. SECONDED BY COMMISSIONER GREEN. MOTION CARRIED.

NEXT SCHEDULED MEETING

The next scheduled meeting will be held on February 9, 2011, at Constitution Hall in the ConCon Room. GreenStone Farm Credit Services has offered to host the June, August, November, and December meetings and Constitution Hall has become available for the March meeting.

MOTION: COMMISSIONER FIKE MOVED TO APPROVE THE CHANGES TO THE PROPOSED 2011 MEETING SCHEDULE. SECONDED BY COMMISSIONER GREEN. MOTION CARRIED.

COMMISSIONERS' TRAVEL

Commissioners Coe, Hanson, Fike, and Kennedy traveled to attend today's meeting. Commissioner Fike also traveled to Lansing for the Michigan Culinary Tourism Conference and a meeting with the Director. Commissioner Coe also traveled to Lansing for the Michigan Culinary Tourism Conference yesterday and a Horse Rescue Workgroup meeting later today.

MOTION: COMMISSIONER HANSON MOVED TO APPROVE THE COMMISSIONERS' TRAVEL. SECONDED BY COMMISSIONER FIKE. MOTION CARRIED.

COMMISSIONER COMMENTS:

Commissioner Fike commended the department, Linda Jones and Karel Bush in particular, for coordinating the sold-out Michigan Culinary Tourism Conference held yesterday. The conference was very well organized and it was wonderful to see so many enthusiastic supporters of this growing segment of the agriculture industry.

The Michigan Family Farms Conference will be held Saturday, January 15, in Battle Creek. Commissioner Coe is the keynote speaker. The Northern Michigan Small Farms Conference will be held the following weekend in Grayling. That event draws about 500 people and features many interesting sessions. At Henry Ford on January 29, a symposium will be held focusing on urban agriculture.

Commissioner Kennedy noted it has been good throughout the years to have had the department so involved with the Michigan Agri-Business Association. He looks forward to continuing his association with that organization.

Commissioner Hanson expressed that she is looking forward to doing whatever she can to help promote and support agriculture in Michigan.

Commissioner Green advised he has been busy with the season for annual meetings for the Michigan Milk Producers Association. The current mood of Michigan's farmers is positive.

Commissioner Coe pointed out a January 9, 2011, *Detroit Free Press* article titled, "A Healthier Job Market Outlook," gave an overview of Michigan's growth industries and forecasted employment changes. Although there was a picture of a farm with a wind turbine, agriculture was not listed as a growth industry. This indicates the story that remains to be told. Additionally, the Bureau of Labor Statistics does not count farm jobs accurately; on his farm he has 32 employees and only one is attributed to agriculture, yet each of those 32 jobs is dependent upon agriculture. This needs to be identified in the future.

He attended a January 6 Young Farmers Agricultural Forum with the newly elected legislators from the northwest region of the state. Senators Walker and Booher and Representatives Franz, Schmidt, and MacMaster expressed support of agriculture and recognized the necessity for refunding of the department. Because the farmers in the northwest area are dependent on migrant workers, they asked where the legislators stood on migrant labor issues. Their response was that they did not realize a problem existed. This is an issue on which work needs to continue. A workforce to pick crops is critical to avoid having to again mow down crops because they could not be picked.

Commissioner Coe encouraged the Commissioners, department, and commodity groups to work toward ensuring that agriculture is a prominent item on the Governor's agenda.

DIRECTOR'S REPORT

Director Creagh advised he is very pleased to serve as Director of MDA. The department will be available for Commission inquiries or concerns and he looks forward to working very closely with the Commission.

He also expressed appreciation to the Governor's Office for quickly filling the vacancies on the Commission. He recognized Bill Hamilton, from the House Fiscal Agency, who had joined the meeting.

An Executive Order should be issued today, which as he understands, will return to the Commission all authorities and duties as were previously assigned, except for the direct employment and any duties surrounding that of the Director.

The Executive Office is targeting a two-year budget for the State, would like to solve the structural deficit very soon, and advised it is incumbent upon the departments to submit value propositions that will initiate discussion regarding what should be funded.

Michigan Farm Bureau (MFB) hosted a meeting January 5 with commodity executives and agricultural leaders. That group discussed state government, MDA, and available resources, as well as priorities of individuals in that group. Although that group concluded MDA could potentially do some things differently to become more efficient, they were very supportive the department.

The Executive Order will also officially rename MDA to the Michigan Department of Agriculture and Rural Development. This will bring a more strategic focus on food and agriculture and its role in rural and economic development. The Governor indicated that food and agriculture should be on even par with manufacturing in the state, and that it will be a critical component in the reinvention of Michigan. The Director highlighted the appointment of GreenStone Farm Credit Services president, Dave Armstrong, to the Michigan Economic Development Corporation (MEDC) Board. The Director noted he has spoken with Mike Finney, President and CEO of MEDC, who would like to do for Michigan what he did in New York by engaging world class food processing businesses and ensuring they are expanding in the state. He has also spoken with Michigan Department of Transportation (MDOT) Director Kirk Steudle to discuss the potential for strategic infrastructure investments.

Under the new cluster approach to state government, the Director advised he reports directly to the Governor and looks forward to working collegially with the Department of Environmental Quality (DEQ) Director Wyant and the Department of Natural Resources (DNR) Director Stokes. The intent and purpose is to ensure the three agencies are aligned, time and effort is not wasted, and comprehensive policies are developed.

The annual ACE Conference is scheduled for January 27 at the Lansing Center. On January 26, there will be a Michigan Agriculture Environmental Assurance Program (MAEAP) Partnership meeting. This weekend, he will attend a Pheasant Restoration Initiative meeting, which is important to the agriculture policy of DNR, DEQ, and MDA, as well as a Michigan State University (MSU).

The Director plans to share his schedule ahead of time with the Commission. If there are ways in which the Commission can help him be more effective in communicating the agriculture story, he would appreciate their input.

Commissioner Coe asked the Commission to review the items identified by the commodity executives and agricultural leaders on January 5 and note any items they feel should be added to that agenda. Ideas could be communicated through Commission Assistant, Cheri Ayers.

DIRECTOR'S TRAVEL

Director Creagh requested out-of-state travel in February to Reston, Virginia, for the National Association of State Departments of Agriculture meeting.

MOTION: COMMISSIONER GREEN MOVED APPROVAL OF THE DIRECTOR'S TRAVEL. SECONDED BY COMMISSIONER FIKE. MOTION CARRIED.

PUBLIC COMMENT (AGENDA ITEMS ONLY)

There was no public comment relative to agenda items.

LEGISLATIVE UPDATE: Derek Bajema, Legislative Liaison

On behalf of the Commission, Commissioner Coe expressed appreciation to Nancy Nyquist for her former service as Legislative Liaison for the department.

Welcome was given to newly appointed Legislative Liaison, Derek Bajema. Mr. Bajema noted challenge lies ahead for the department; however, looking at the new Legislature, there are many friendly faces to agriculture.

New bills for this session will be introduced beginning January 12, 2011. A few bills were signed into law at the end of the last session, including SB715 dealing with the Drain Code assessment notice, which will allow people to know they can avoid interest payments by paying the balance up front. The Phosphorus Bill, HB5368, became Public Act 299. The Grain Dealer Act, SB1396 became Public Act 264.

Mr. Bajema is coordinating an aggressive plan for the Director and him to visit all of the legislative offices, and they have already met with the Senate and House committee chairs. As soon as announced, meetings will be scheduled with House Committees, as well as the Senate Standing Committees, and Appropriations Subcommittees. Meetings with House and Senate leadership have already been scheduled. The department will be conveying how important Michigan agriculture is to the state's economy.

Commissioner Coe requested Mr. Bajema keep the Commission informed regarding the status of the Agriculture Caucuses to provide for direct communication with those members. Mr. Bajema advised Chairman Daley's office communicated they are open to the Commission attending Agriculture Caucus meetings and potentially will be scheduling meetings with each Commissioner.

Commissioner Coe also requested legislative contact lists for the Commission to include respective chairs, key members, and staff members. Mr. Bajema advised lists will be provided to the Commission as soon as all information is available.

Director Creagh requested the Commission keep Mr. Bajema fully informed as they schedule meetings with various legislators.

Commissioner Coe noted the Commission spent a considerable amount of time in 2010 on feral swine issues. At their last meeting, it was left that the Michigan Department of Natural Resources and Environment (MDNRE) would look toward issuing an Invasive Species Order, which has now been implemented with a July 18, 2011, effective date unless the Legislature takes action on recommendations of the Feral Swine Working Group to regulate the swine hunting industry to ensure that animals do not escape. He asked that Mr. Bajema pay particular attention to any pending legislative action in that area and keep the Commission and industry stakeholders informed. Commissioner Coe expressed concern that the Invasive Species Order becoming effective would essentially put a segment of Michigan's hunting industry out of business. Mr. Bajema advised he will be attending a meeting on the subject later today and will keep the Commission informed.

FDA FOOD SAFETY MODERNIZATION ACT: Sue Esser, Acting Division Director, and Kevin Besey, Food Program Manager, Food and Dairy Division

Ms. Esser provided background on the Food and Drug Administration (FDA) Food Safety Modernization Act, noting it constitutes the first major reform of federal food safety legislation since 1938. Even though the U.S. has one of the safest food supplies in the world, we still continue to see foodborne illness outbreaks. Recent Federal Centers for Disease Control estimates indicate that each year, roughly one out of six Americans actually become ill from food and 3,000 die from foodborne illness. Clearly an issue remains.

This legislation focuses on a risk-based approach to food safety; however, the law does not create one food safety organization at the federal level. Under the new law, FDA now has mandatory recall authority. It also calls for the development of a Hazardous Analysis and Critical Control Point (HACCP) program for food processors and the development of produce safety standards; however, there are exemptions for smaller operations and those shipping within a localized area.

In response to inquiry from Commissioner Fike, Ms. Esser advised additional information will be obtained from FDA as to exactly how the exemption provisions will be applied. Mr. Besey advised one of the key messages to share is that if a facility has not yet been required to register with FDA as a processing facilitator or warehouse, they will not be required to register now and this law will not have much affect on them. If they are one of the approximately 3,000 registered facilities in Michigan, then they might be affected by some portion of the new legislation.

One of the key challenges of the legislation is that there are no associated funds. It is estimated it will cost \$1.4 billion over the next five years and it is hoped that some initial funding will be provided for implementation.

The department plans to be involved as the new legislation is implemented and regulations become more clearly defined. Input, including a real world approach, will be provided to FDA. Commissioner Coe asked if MDA had identified the resources that will be required to implement the new law. Ms. Esser advised work continues in that area as information is received and it will be shared with the Commission when available.

Allergy management guidelines, which are directed at schools, will provide opportunities to work with the Michigan Department of Education, FDA, and local health departments. There also will be opportunity to work on foodborne illness surveillance systems. With FDA's initiation of the National Integrated Food System, further joint efforts with FDA, the U.S. Department of Agriculture (USDA), and the Centers for Disease Control (CDC) will be seen in the future.

The potential of new food transportation regulations offers another opportunity for MDA to participate, particularly since that study began in Michigan. Having laboratories accredited and developing an integrated laboratory network will increase the national acceptance of testing completed by MDA.

Mr. Besey noted that FDA typically contracts with the department to complete a portion of the food safety work. As more regulations are implemented, there potentially will be an increase of contract work and increased demands on the department. MDA has an opportunity to assist the processing establishments in Michigan to understand and meet the new standards, and ultimately, gain expanded market access as a result.

The new legislation will offer many opportunities. However, how quickly FDA plans to implement the regulations and what authorities will be granted is unknown at this time. Although some implementation dates have already been established, many have yet to be developed.

MDA will have the opportunity to affect the national discussion when the various regulations are being developed. In response to comment by Director Creagh, Mr. Besey confirmed it will take several years to implement the new rules, regulations, and guidelines, and there will be opportunity for public comment throughout the process. Ms. Esser advised the department can also be more directly involved through workgroups that help to develop the guidelines. The Director remarked that, as those guidelines are developed, the Commission could have an opportunity to comment from a policy perspective. Staff will keep the Commission informed throughout the process.

Commissioner Coe noted the department and the Commission will need to be the champions for common sense answers on implementation to ensure the new regulations are established, not as job killers, but as job creators.

BUDGET UPDATE: Gordon Wenk, Chief Deputy Director

Chief Deputy Director Wenk welcomed the new Commissioners and noted the department faces new opportunities, and new challenges. For the next few months, he will be presenting the budget information to the Commission while the department's Budget Officer, Amy Epkey, is on maternity leave.

As the Director mentioned, the department is currently developing value-based points for each of MDA's programs, as well as determining measures and outcomes. As soon as that is presented and we know what the budget numbers are, that information will be shared with the Commissioners.

MDA is also working with their cluster partners, DEQ and DNR, to consider various collective cost saving strategies around technology, accounting, marketing, and office space. There may be opportunity for cost savings by approaching those areas in a collaborative fashion.

In response to inquiry by Commissioner Coe, Director Creagh advised a two-year budget is not a requirement, but rather a budget proposal that would give the Legislature and the Administration an idea of where agencies are headed.

Mr. Wenk, in response to question from Commissioner Coe, advised the value-based requirement means a program must offer a return that justifies the program. The value of each activity and how it relates to what the constituents need, whether it be job, economic, environmental, or societal impact, could be part of the value of a program to be considered. Key focus areas for MDA will be food safety, the environment, economic development, and animal and plant health. The department will have a specific amount of money with which to work and programs will be built from that point.

The other aspect of the budget being communicated is that there will be more flexibility given to the department through a roll-up process, meaning rather than each program being detailed within the budget, they will be collected into larger categories. This would apply primarily to general fund dollars. Restricted dollars received are those with directed use to a specific purpose as designated by Legislature. There also are federal funds directed to specific areas.

Director Creagh thanked Mr. Wenk for making his emersion back into the department seamless and smooth, noting it is good to have someone with his experience and knowledge of what has transpired over the last few years.

SAFE FOOD RISK ASSIST TOOL: Jim Johnson, Director, and Jan Wilford, Program Manager, Environmental Stewardship Division

Mr. Johnson noted that almost two years ago, Commissioner Coe reported on the lack of understanding by small farms of food safety requirements. At that time, the Commission requested the department explore some possible way to assist small and medium sized farm operations to address some of those food safety standards being requested for large farm operations, specifically those required to complete the Good Agricultural Practices (GAP) audit process. As a result, the department initiated a committee of partners to discuss the options.

As part of that work, a subcommittee was created to look at a possible on-farm risk assessment tool. Since that type of system is used by the Michigan Agricultural Environmental Assurance Program (MAEAP) to assess other parts of farm operations, MAEAP Program Manager, Jan Wilford, has been chairing that effort.

Ms. Wilford noted some concerns that Commissioners had at the time, and one was the potential cost to these small farmers who direct market from their farms or at farm markets. The second was risk to the industry if a food safety incident occurred related to that particular segment of the industry. Growers themselves wanted to know what the department considered to be good safe food practices and ask for some recognition that they were following those practices outside of the GAP audit process. There are about 6,500 fruit and vegetable growers who market in Michigan and, at the most, 1,000 of those actually have certified GAP audits. The audience for the risk assist tool is those remaining 5,500 farm operations. Although a scale appropriate risk assessment is being considered, the plan is for any grower using that tool could then move very smoothly into the requirements for an actual GAP audit.

The Safe Food Risk Assist Tool was developed over time through input from primary stakeholders, represented by MSU Extension, the Michigan Integrated Food Farming System (MIFFS), and the Farm Market Association. A draft has been shared with various growers across the state and comments are being received. The Committee will meet next week to begin revisions to the draft. Information needs vary widely – many growers would like numerous internet links to guidance pages and USDA reports, while another segment has no access to the computer except at the library. Attempts are being made to modify the system so that it can meet all of those needs. Through work of the larger committee and as a result of a block grant awarded to MIFFS last year, a collaborative effort is underway to develop a website where this tool, as well as information for growers seeking GAP audits, can be centered.

Although it seems progress is slow, resources are very limited. A very small amount of Project GREEN (Generating Research and Extension to meet Economic and Environmental Needs) dollars awarded recently will allow five of the department's water stewardship technicians to select one grower each and actually go onto the farm and ground truth the risk assessment process using actual practices. The committee will continue to seek technical assistance dollars through Conservation Districts which will improve the tool in a way that is effective and meaningful.

Commissioner Fike asked about the potential for group certifications for GAP audits to decrease the cost to producers. Ms. Wilford advised that option for growers has been discussed and there continues to be considerable effort through Senator Stabenow's office in finding ways that are more cost effective for growers seeking GAP audits.

Commissioner Coe advised this effort was initiated because the issue was raised by the small farm community and they were particularly concerned about what would be required by the Food Safety Modernization Act. Since the federal requirements have given exemptions at certain sales dollar levels, there might be some stepping away from the assessment program. Because the risk assessment program is basically voluntary, it would be ideal if the committee could develop incentives, similar to those through the MAEAP program.

FINAL DRAFT OF THE GENERALLY ACCEPTED AGRICULTURE MANAGEMENT PRACTICES (GAAMPs): Jim Johnson, Director, Environmental Stewardship Division;

Wayne Whitman, Right to Farm Program Manager, Environmental Stewardship; Dr. Eric Hanson, MSU Horticulture, Cranberry Production Review Committee Chairperson; Dr. Dale Rozeboom, MSU Department of Animal Science, Care of Farm Animals Review Committee; and Dr. Wendy Powers, MSU Department of Animal Science and Biosystems, Site Selection and Odor Control Review Committee Chairperson

Mr. Johnson reported one of the mandatory requirements the Commission must fulfill each year is review and approval of each of the Right to Farm Generally Accepted Agriculture Management Practices (GAAMPs). GAAMPs are extremely important as a baseline operational set of procedures for farm operations. They are used to determine whether or not a farm is in compliance with GAAMPs, and therefore, may have Right to Farm protection against nuisance law suits. There are between 150 to 175 new Right to Farm complaints each year, and virtually all of those complaints are resolved by Mr. Whitman and his very capable Right to Farm staff. It is an extremely important program for the continuation of a farm operation without a great deal of interruption due to complaints from neighboring properties.

Mr. Johnson expressed appreciation to each of the GAAMP review committees and the work achieved by those groups. Each is chaired by an MSU staff member with tremendous abilities and background necessary for the annual GAAMP review process, which involves a considerable amount of work.

Mr. Whitman advised that each GAAMP is written by a multi-agency task force. After completion of this year's annual review process, changes were proposed in three sets of the GAAMPs. The first being the Site Selection and Odor Control for New and Expanding Livestock Facilities GAAMP.

Dr. Powers noted the most significant change in the Site Selection GAAMP was relative to property line setbacks for new and expanding operations. The change in language basically notes that for all operations, in order to consider a property line reduction that is less than those values represented in the tables in the document, the request needs to be made in advance of the site suitability approval from MDA. In addition, local land use zoning maps will be considered by MDA in making the determination. For new operations, requests for reductions of up to 50 percent can be allowed, but a distance no less than 250 feet can occur. For existing operations, a further reduction is possible with a signed variance from adjacent or affected property owners. The setback still may not be less than established by structures constructed before 2000, unless those values are greater than those in the siting tables.

The only other significant change proposed is that no new or expanding operation within 500 feet of an existing migrant labor housing facility can be proposed without a variance from the U.S. Department of Labor. In addition, that respective migrant labor housing facility must be owned by the livestock producer.

The committee did receive public comments relative to the GAAMP. However, because of the time in which those were received, they will be considered during the next review period. A cursory review by the committee indicated very few of those comments would affect the changes being recommended at this time.

In response to inquiry by Commissioner Fike, Mr. Whitman advised GAAMPs were required by the amendment to the Right to Farm Act in 1999; and, by June 2000, there was a set of practices for Site Selection and Odor Control for New or Expanding Livestock Facilities. The property line setback issue has received attention at various times with regard to other land uses, proximity to non-farm homes, and new technologies available. With the consensus of the diverse multi-agency taskforce, each occasion of change was proposed to and approved by the Commission. The initial estimate a producer may use when considering a setback distance is identified in the various tables provided in the GAAMP. From that initial property line setback, there are factors to be considered as to whether or not that property line setback should be increased or reduced based on the odor management plan, with the objective of delivering a certain performance to non-farm neighbors. There are many factors that come into play in that determination. Based on the odor estimator model, that setback may be reduced. In some cases, it was reduced to as little as 100 feet. Following discussion with the Commission in June of 2010 and with committee members, there was further recognition that an adjacent property owner may have other interests for future use of that land. Therefore, a formula was developed in the text to allow for greater input by a non-farm neighbor and to allow for a larger setback, unless there is a signed variance provided. Dr. Powers advised the public comments received relative to the setback changes were favorable.

Commissioner Coe advised one advantage of the GAAMP process is they are living documents that are reviewed and available for changes each year. The Commission has the responsibility to approve each GAAMP that will be in effect until the review process is again completed.

Next reviewed was the Care of Farm Animals GAAMP. Dr. Rozeboom reviewed the proposed changes, noted because this GAAMP covers numerous species and how those animals are cared for, it requires the formation of various taskforces. These taskforces work year around to review applicable science and consider potential changes.

One of the major changes centered on the passing of PA 117 in 2009, which provided more space for the animals, and areas in the GAAMP for those species affected have been revised. Other changes are primarily updates in publications. Depending upon species, other small changes were proposed.

The public comments received, which were from one source, reflected an opinion that incorporation of PA 117 should be accelerated to immediate effect, rather than through 2020 as was negotiated. Comments were taken very seriously, evaluation was compared to scientific literature, and recommendation was made to make no further changes to the GAAMP.

In response to inquiry from Commissioner Coe, Mr. Whitman advised the section referencing South American Camelids is not new, but represents a broader definition of the animals included in this species.

The final GAAMP with proposed changes is the Cranberry Production GAAMP. Dr. Hanson noted the reason for cranberries being considered for their own set of GAAMPs was that cranberry production requires a wetland and many regulatory requirements are involved. The committee received no public comments related to the GAAMP; but did discuss changes suggested by various committee members. Most of the changes are to improve clarity, with some reorganization of items. No substantial revisions in the actual content are recommended.

Commissioner Coe noted a legislative request came to the department regarding a business that wanted to begin a cranberry operation on lands that contained existing wetlands. MDNRE advised a complete site and engineering assessment and relocation of the existing wetlands would be required. The concept was discussed that existing wetlands expanded for cranberry production were not taking wetlands out of service, but simply adding to the wetland surface. Dr. Hanson advised there appears to be some disagreement regarding the value of cranberry plantings as a wetland. He explained that traditional cranberry production systems in older areas of Wisconsin and Massachusetts are quite often open as far as water use is concerned. However, cranberry production systems in Michigan are closed loop to allow for reuse of water. Commissioner Coe advised this issue should remain on the table for future consideration.

In response to questions from Commissioner Fike, Dr. Hanson advised there has not been a great deal of testing of waterways adjacent to cranberry plantings for phosphorus content levels. A research project conducted years ago in Wisconsin, documents there quite often is an elevation of phosphorus and nitrate concentration. He further advised Wisconsin has approximately 20,000 acres of cranberry plantings, while Michigan currently has only 300 acres. There is interest in expansion in Michigan; however, a potential buyer interested in developing cranberry production needs to know prior to purchase that cranberry planting use will be approved and people have not yet been able to get around that issue. The other aspect of cranberry market potential is that prices have been extremely volatile.

Director Creagh inquired regarding the experimental project in southwest Michigan that focused on growing cranberries in an environmentally responsible manner. Dr. Hanson advised that project was constructed on an upland site and data has been developed on nutrient movement as related to water management.

In response to questions from Commissioner Fike, Dr. Hanson advised that deer damage has not been an issue for cranberry producers in Michigan. Mr. Johnson confirmed the wetland maps included in the GAAMP have recently been updated for the larger scale wetland areas and the department feels comfortable that an adequate amount of information on wetlands is available.

Commission Fike inquired on the process for public comments on each of the GAAMPs. Mr. Whitman advised that typically, once the committee chairs have submitted their revised GAAMPs, the department makes the drafts available on the website, designates a comment period, and schedules a public input session.

Mr. Whitman advised the Farm Market GAAMP has been deferred to the review committee for re-evaluation. It will be brought to the Commission at a future date.

Based on the fact that Commissioners Hanson and Kennedy have not had sufficient time to review the GAAMPs, the Commission determined that consideration and vote on each of the GAAMPs would be deferred to the next Commission meeting.

COMMISSIONER ISSUES

The Commissioners had no issues to bring forward.

PUBLIC COMMENT

Ms. Tonia Ritter, Michigan Farm Bureau, reported the new Michigan Farm Bureau (MFB) Policy Books will be published very soon and hard copies, along with the electronic version, will be forwarded to the Commission. She advised she looks forward to continued work with the Commission, and with the new Commissioners.

MFB definitely plans to be involved in many of the budget discussions, not only those specific to agriculture, but the overall discussions as well to help develop new opportunities for efficiencies and public/private partnerships.

MFB is also interested in reviving the discussion regarding the MAEAP Program, specifically putting the program into statute with some incentives. Preliminary discussions have already been held with the department and the Legislature. Without MAEAP in statute, we clearly will continue to lose ground on this important program. Commissioner Green noted discussion during the Michigan Milk Producers Association board meeting indicated a very strong desire to maintain MAEAP within MDA, with the overriding question of how to fund that program. Ms. Ritter advised MFB has been investigating various ways to gain that funding. Commissioner Green encouraged consideration across agencies to eliminate duplication of efforts and create efficiencies in the program.

The previous comments regarding hunting swine are appreciated. This is an issue with which we need to deal very quickly and MFB has held discussions with leadership in the House and Senate about moving that along.

There was excellent participation in the meeting hosted by MFB with commodity executives and agriculture leaders on January 5. She will provide Commissioners with a copy of the results of that meeting, which will provide a snapshot into where, in general, the agriculture community is looking for a focus with the department.

In response to the issue discussed earlier regarding legislators from the northwest part of the state not being aware of the migrant labor issues in Michigan, Ms. Ritter advised MFB is having various discussions around that issue. It is specifically included in the outline of issues included in the new MFB Policy Book. There also is an interest in addressing labor issues in a broader context. Commissioner Coe advised he sits on the MFB Migrant Labor Committee.

Director Creagh advised the Governor requested that he receive a copy of the MFB Policy Book. Ms. Ritter will ensure that copy is delivered to Governor Snyder as soon as possible.

GENERAL DISCUSSION

Director Creagh reported on the departmental impact of the incentive retirement program. MDA had 49 individuals retire and some vacancies also existed prior to the retirements. The preliminary indication from the State Budget Office was a one for two replacement rate; however, because those were somewhat underfunded, the department currently has 33 vacancies that will enter into the upcoming budget conversation. Those vacancies have adversely impacted some divisions. The priority will be to fill significant leadership voids, specifically the four division director positions. As soon as possible, stability at the senior management level will be established.

Commissioner Coe conveyed some comments delivered by legislators (without specifically identifying those individuals) during the January 6 Young Farmers Agricultural Forum in the northwest region of the state.

Representative One focused on refunding of MDA and was very aware of the losses the department has endured. He added that something has to be found within the Legislature to ensure essential MDA programs are adequately funded. That representative also suggested transferring a number of DEQ and DNR functions to Conservation Districts.

Representative Two wants to see deregulation, as opposed to new regulation in the agriculture sector. He said MDA is recognized for its high level of customer service and it should be viewed as a business builder, rather than a business regulator.

Senator One said he was going to focus on common sense regulations and voiced considerable concern about the loss of MSU Extension Services within the counties. He plans to focus on bringing PA 116 back in front of the Legislature for agricultural personal property tax exemptions and tax credits for capital investments in agricultural businesses.

Senator Two praised MDA for their record of working closely with the industry. Being a long-standing legislator, he remarked how important lobbyists are in conveying information to the Legislature.

Representative Four said he believed very strongly that we should keep all agriculture out of the Michigan Economic Development Corporation; however, agriculture should somehow be incorporated into the Pure Michigan campaign. He was very concerned about MSU Extension reorganization.

The legislators as a group were surprised by the number of young farmers attending the meeting, which changed their thinking that farmers were becoming a dying breed.

Director Creagh requested the Commissioners advise him of any economic opportunities that should be pursued by the department. He will ensure the department responds accordingly to assist in the process.

CHIEF OF STAFF REPORT

Director Creagh introduced the Governor's Chief of Staff, **Dennis Muchmore**, and thanked him for joining the meeting.

Commissioner Coe expressed a concern of the Commission that over the last six to eight years, there has been a lack of access by the Director to the Executive Office, which was reflected in the Legislature itself. It was a perception that agriculture was not an important sector within Michigan. The Commission is looking for assurances that this situation would change and there be recognition that agriculture is core to Michigan's economy.

Mr. Muchmore advised that in every speech, the Governor varies between saying agriculture is Michigan's number one industry, or that it soon will be from his point of view – adding that it is the one which is successful, it is the one that is growing.

Eleven of the 990 Governor appointments were made this week, with the new Commissioners being among the first of those appointments. The Governor and his staff have a very large interest in agriculture, and Mr. Muchmore noted he serves on the board of GreenStone Farm Credit Services.

In addition, the Governor has changed the name of the department to reflect rural development, which is a significant change. The Governor views the food processing sector as a significant area of opportunity for the state in business growth and jobs creation.

Director Creagh has a good working relationship established with the Governor. With Dan Wyant as leader of the Quality of Life cluster, there will be additional emphasis on the entire agriculture industry. The Governor and the Executive Office will be a positive force for Michigan's agriculture industry.

Commissioner Coe expressed his appreciation to the Executive Office for their quick appointments in filling the two vacancies in the Michigan Commission of Agriculture. He noted there is a document endorsed by the Commission entitled, "The Michigan Good Food Charter" and that charter provides a good template for moving forward. Also to be considered is the importance of production agriculture – the real dollars in agriculture come from the large production agriculture operations that help feed the world. Working closely with the department, the Commission is here to help keep the Governor's staff advised on agriculture issues.

Commissioner Fike noted there is a new program that could serve as a model for departments working together. It is the \$850,000 revolving loan program to fund hoophouse construction that was a joint effort of the Michigan Economic Development Corporation, Michigan Department of Energy, Labor, and Economic Growth, and MDA. Bringing those departments together to work on agriculture development is a huge

advantage. The organization for which she works, the Food System Economic Partnership, realized there is great potential for the smaller scale farmer to sell to local markets. And because consumers are looking for that Michigan-grown product throughout the year, farmers are seeing the opportunity for extending the growing season.

Mr. Muchmore advised when you consider urban farming, the aspect that attracts him is the large amount of vacant land, particularly in the Detroit area, that is not producing for the neighborhoods. An excellent community effort could be developed by using vacant land to help raise our food.

Relative to the budget, there is a huge challenge, it must be reduced and it won't come through increased taxes. The structural deficit will be eliminated this year; people will take a large hit in every walk of life in the state; but, we will lay the groundwork for a better future for Michigan.

Director Creagh and the Commission expressed thanks to Mr. Muchmore for taking time to join the meeting today.

ADJOURN

**MOTION: COMMISSIONER GREEN MOVED TO ADJOURN THE MEETING.
COMMISSIONER FIKE SECONDED. MOTION CARRIED.**

The meeting was adjourned at 12:45 p.m.

Attachments:

- A) *Agenda*
- B) *Agriculture Commission Meeting Minutes December 15, 2010*
- C) *Proposed 2011 Meeting Schedule*
- D) *Detroit Free Press, "A Healthier Job Market Outlook"*
- E) *Michigan Farm Bureau January 5, 2011, Meeting Results*
- F) *FDA Food Safety Modernization Act – Preliminary Assessment of Impact*
- G) *Safe Food Risk Assessment Draft*
- H) *Final Draft of the Generally Accepted Agriculture Management Practices*