

# Michigan Commission of Agriculture Meeting Minutes

September 22, 1999

**Michigan Department of Agriculture  
Michigan Commission of Agriculture  
611 West Ottawa Street  
4<sup>th</sup> Floor, Dean Pridgeon Conference Room  
Lansing, Michigan**

## **PRESENT:**

Deanna Stamp, Chair, Commission of Agriculture  
James Maitland, Vice Chair, Commission of Agriculture  
Jordan Tatter, Secretary, Commission of Agriculture  
Douglas Darling, Commission of Agriculture  
Dan Wyant, Director, Michigan Department of Agriculture  
Absent:  
Shirley Skogman, Commission of Agriculture

## **OTHERS PRESENT:** *(all or part of the meeting)*

Michigan Department of Agriculture Staff  
Ron Zellar, Attorney General's Office  
David Hildenbrand, Governor Engler's Office  
Scott Everett, Michigan Farm Bureau  
Jerry Grigar, Natural Resource Conservation Service  
Rebecca Humphries, Michigan Department of Natural Resources  
Dr. Lee Jacobs, Michigan State University  
Diane Krause, Big North Farmers' Cooperative  
Ben Kudwa, Michigan Carrot Growers  
Tina Love, Big North Farmers' Cooperative  
Senator George McManus  
Ron Nelson, Michigan Farm Bureau  
Amy Parker, Office of the Auditor General  
Dean Peterson, *Michigan Farmer Magazine*  
Mary Van Pelt, U.S. Environmental Protection Agency

## **CALL TO ORDER AND ROLL CALL**

Chair Stamp called the meeting to order at 8:32 a.m. on September 22, 1999. Secretary Tatter called the roll with Director Wyant and all Commissioners, except Commissioner Skogman, present.

## **APPROVAL OF AGENDA**

**MOTION: COMMISSIONER MAITLAND MOVED TO APPROVE THE SEPTEMBER 22, 1999, AGENDA AS PRESENTED. SECONDED. MOTION CARRIED UNANIMOUSLY.**

## **ANNUAL REVIEW OF THE GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR NUTRIENT UTILIZATION: Dr. Lee Jacobs, Chair of the Nutrient Utilization Task Force**

Dr. Lee Jacobs, Chair of the Nutrient Utilization Task Force, reviewed the changes to the draft of "Generally Accepted Agricultural and Management Practices (GAAMPs) for Nutrient Utilization."

Wayne Whitman of the MDA Environmental Stewardship Division listed the members of the task force.

Director Wyant described the current process for the annual review of GAAMPs. He reiterated the importance of ensuring public comment opportunity. He recommended that action on this GAAMP be postponed to the

October 13, 1999, Commission of Agriculture meeting, in order to provide an appropriate public comment period prior to the Commission approval. Commissioners agreed that they would like an opportunity to review the changes presented and to hear additional public input.

Commissioner Darling referenced page 9 of the draft provided and asked if information should be included about the use of nitrogen and its requirement for growth and development in soybeans. He also distributed copies to the Commission and Dr. Jacobs of an article entitled, "*Managing Stress Factors in Soybean Production.*" He said there are a number of herbicide programs that recommend use of nitrogen in liquid form or ammonia sulfate and neither of those have an EPA registration number, but are used as fertilization.

Dr. Jacobs replied that in general there are no nitrogen recommendations for legume crops. He added that in general the recommendation is not to apply nitrogen. However, if there are practices where fertilizing materials, including nitrogen, might be applied for that practice, then he believes that would be viewed as acceptable.

**MOTION: COMMISSIONER MAITLAND MOVED TO RECEIVE THE INITIAL GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR NUTRIENT UTILIZATION AS PRESENTED AND TO MAKE THEM AVAILABLE FOR PUBLIC COMMENT PRIOR TO COMMISSION ACTION AT ITS OCTOBER MEETING. SECONDED. MOTION CARRIED UNANIMOUSLY.**

### **PUBLIC COMMENT – GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR NUTRIENT UTILIZATION**

Chair Stamp stated for the record that the Commission has received one written comment from the Michigan Land Use Institute and two written comments from Mr. Phil Forner. These written comments will be a part of the formal public comment received on the Generally Accepted Agricultural and Management Practices for Nutrient Utilization.

Director Wyant announced the appointment of Vicki Pontz-Teachout as the new director of the Environmental Stewardship Division.

Commissioners discussed the process for public review of the GAAMPs. Commissioner Maitland asked for an explanation of the public review process.

Ms. Pontz-Teachout explained that according to Michigan statute, the Michigan Commission of Agriculture appoints Michigan State University to chair a committee of scientific persons to review the GAAMPs on an annual basis. MSU then develops the initial GAAMPs, reviews them on annual basis for submission to the Commission for final approval. The process for receiving public comment is not outlined in the law, but can be determined by the Commission.

### **LEGISLATIVE REPORT: Brad Deacon, Legislative Liaison**

Brad Deacon, Legislative Liaison, reported that the Michigan Legislature has returned for the fall session.

Mr. Deacon reported on the following:

- A bill requiring that schools not have session on the Friday before the Labor Day holiday has passed the House.
- A bill on use value assessment that pertains to tax on machinery for cooperatives has been introduced in the Senate.
- There will be a bill introduced to change requirements to give the state potato industry commission the ability to borrow money in anticipation of the receipt of funds.
- A bill will be introduced to regulate wolf hybrids.

Director Wyant added that revisions to the Uniform Food Code remain a priority issue for MDA.

### **APPROVAL OF AUGUST 26-27, 1999, COMMISSION OF AGRICULTURE MEETING MINUTES**

**MOTION: COMMISSION TATTER MOVED TO APPROVE THE AUGUST 26-27, 1999, COMMISSION OF**

## **AGRICULTURE MEETING MINUTES AS PRESENTED. SECONDED.**

**DISCUSSION: COMMISSIONER DARLING ASKED THAT THE SECOND PARAGRAPH ON PAGE 3 BE AMENDED TO READ "HOUSE RESOLUTION 1592, WHICH CLARIFIES THE FOOD QUALITY PROTECTION ACT, AND CONCERNS FACING MICHIGAN'S COMMODITY GROUPS," AND THE THIRD PARAGRAPH ON PAGE 3 BE AMENDED TO READ "CONGRESSMAN DINGELL ALSO STOPPED AT COMMISSIONER DARLING'S FARM WHERE DISCUSSIONS WERE HELD ABOUT AGRICULTURAL PRICES, CROP INSURANCE, AND TRADE SANCTIONS."**

**THE AMENDMENT AND ORIGINAL MOTION CARRIED UNANIMOUSLY.**

### **UPDATE ON BOVINE TUBERCULOSIS: Dr. Michael Chaddock, State Veterinarian and director of the Animal Industry Division; Dr. Dan Graham, Animal Industry Division**

Dr. Michael Chaddock, State Veterinarian and director of the Animal Industry Division distributed and reviewed current maps and information pertaining to the bovine tuberculosis situation in Michigan.

Dr. Chaddock stated that to the best of his knowledge there is no additional tuberculosis-infected livestock in Michigan to date. He said that surveillance continues in the five-county area (infected area) and in the buffer zone (surveillance zone). There are a few herds that still need to be tested and the goal is to have all testing completed by the end of October 1999.

He reported that Michigan's status as of today is still "suspended free" for the entire state. USDA has added six permanent staff to northeast Michigan. They are working with Dr. Dan Graham out of the MDA Atlanta office. Dr. Chaddock explained that he has met recently with USDA representatives and they anticipate that an interim rule will be published in the federal register before the U.S. Animal Health Association meeting is held in October. The interim rule will have immediate effect, but public comments will be received. At the close of the public comment period, the rule will either stand as published, amended, or withdrawn.

Commissioner Tatter inquired about a captive elk herd in a Wisconsin county that adjoins Michigan testing positive for bovine tuberculosis.

Dr. Chaddock reported that according to Wisconsin officials, no positive bovine tuberculosis captive elk herds have been found in any northern Wisconsin counties adjoining Michigan. However, two herds have been depopulated near Manitowoc. There was a reactor elk found in Oconto County (west of Green Bay) that was sent to the lab, but tested negative. A reactor fallow deer was located at the zoo in Racine that also was sent to the lab and tested negative. Dr. Chaddock said there is a farm that crosses the Michigan/Wisconsin border that had a captive elk cross the border without proper tuberculosis testing. The owner's farm has been quarantined and two 90-day tests will be required. Dr. Chaddock added there also is a histologic compatible (microscopic tissue exam) cow with a Wisconsin ear tag that Wisconsin officials are aware of, but no further information is available as of today. Wisconsin has indicated that it will keep Michigan informed.

### **NEXT MEETING**

**The next meeting of the Commission of Agriculture will be held on Wednesday, October 13, 1999, in the Michigan Department of Agriculture, 4<sup>th</sup> Floor, Dean Pridgeon Conference Room, 611 West Ottawa Street, Lansing, Michigan.**

### **DNR DEER FEEDING ISSUES: Keith Creagh, Deputy Director and Rebecca Humphries, Chief of the DNR Wildlife Bureau**

Deputy Director Keith Creagh and Rebecca Humphries, Chief of the DNR Wildlife Bureau, discussed DNR deer feeding issues. Director Wyant said that Chairman Keith Charters of the Natural Resources Commission (NRC) has asked that Commissioner Stamp be a part of the baiting materials workgroup. Commissioner Garner of the NRC will represent that commission. Deputy Director Creagh added that Chairman Charters has indicated that this issue is a work in progress and the results might look very different in the future.

Ms. Humphries distributed and reviewed information about the Deer and Elk Feeding Regulations. She stated

that feeding deer for recreational viewing purposes would be allowed statewide, except in the bovine tuberculosis management area in the northeast Lower Peninsula, where all feeding and baiting of deer is prohibited. The quantity of feed will be limited to two gallons per day and no more than two gallons at any one time in the Lower Peninsula and in the area south of US-2 between Escanaba and Iron Mountain, in the Upper Peninsula. The remainder of the U.P. will be restricted to less than five gallons per day and less than five gallons at any one time. The feed must be placed within 100 yards of a residence.

She also said that feeding for the purpose of deer survival is allowed only in the U.P., except in the area south of US-2 between Escanaba and Iron Mountain.

Ms. Humphries explained that on private lands, excluding the area south of US-2 between Escanaba and Iron Mountain, anyone who intends to exceed the five-gallon limit must:

- Notify the DNR Upper Peninsula Field Deputy Director in Marquette,
- Place supplemental feed one-quarter mile from paved, public roads,
- Place supplemental feed at least one mile from cattle, goats, sheep, New World camelids, bison, swine, horses, or captive cervidae,
- Place supplemental feed at least one mile from wheat, potato fields, commercial fruit orchards, commercial plantings of nursery stock or Christmas trees, unless authorized by the DNR, and
- Feed between January 3 and May 15 unless authorized by the DNR.
- Supplemental feeding on public lands in the U.P. will be allowed by permit only.

Commissioner Maitland commented that he was disappointed that the DNR did not require a permit for supplemental feeding above five gallons. He asked about enforcement if people do not report to the DNR.

Ms. Humphries replied that it would be a violation of the state conservation act and treated like any other game law violation. She said that records would be maintained of those who notify the office.

#### **APPROVAL OF COMMISSIONERS' PER DIEM AND/OR TRAVEL**

**MOTION: COMMISSIONER MAITLAND MOVED TO APPROVED MILEAGE AND PER DIEM EXPENSES FOR COMMISSIONER DARLING TO ATTEND THE SEPTEMBER 8-10, 1999, DNR COMMISSION MEETING IN LANSING, AND THE PUBLIC SECTOR CONSULTANTS LAND USE CONFERENCE IN TRAVERSE CITY. SECONDED. MOTION CARRIED UNANIMOUSLY.**

#### **COMMISSIONERS' COMMENTS:**

**Commissioner Doug Darling** reported that the harvest has begun in Southeast Michigan. The crops show reasonable yields, but it is still early. He said his farm hosted an MSU Soybean Research Plot, with approximately 90 plots and 50 varieties that would be harvested this fall. He said that about 125 people attended his farm's Field Day.

Commissioner Darling publicly thanked Dick Vershum's farm in Milan for providing parking for those participating in the farmland preservation tour.

Commissioner Darling participated in the Michigan Legislative and Business Leaders Forum on Growth Management, held in Traverse City. It was a very informative and educational program on land use. It also addressed the way we approach development and how to form farmland preservation partnerships. About 30 legislators attended the forum, as well as people from the financial community and local governmental units. Commissioner Darling stated that he believes that agriculture needs to be at the table whenever land use is discussed.

He also reported that the NRC meeting he attended addressed the deer feeding permit process and enforcement. He said he is frustrated in the changes and the vagueness in the definitions. Commissioner Darling also attended various Farm Bureau meetings where the policies on Food Quality Protection Act (FQPA), crop insurance, the drain code, taxation, land use and trade were discussed. He referred to the

discussions about FQPA and the Regulatory Fairness Act of 1999 (HR 1592). He believes that attitudes seem to be changing and the Commission may want to take a formal position.

**Commissioner James Maitland** said he appreciated the fact that Commissioner Darling was able to attend the Traverse City land use forum. He said that apple harvesting is occurring in his area at the present time. He said that the Northwest Michigan Horticultural Research Station celebrated its 20<sup>th</sup> anniversary in September. He said that he is looking forward to hearing the results of this year's fair season in Michigan.

Commissioner Maitland said he also is frustrated with the final rules developed by the DNR. He is hopeful that additional restrictions will be imposed next year.

Commissioner Maitland believes that the process for reviewing GAAMPs should be more open and accessible to the public. He suggested that after the advisory or technical committee reviews the initial recommendations, a public meeting should be noticed and held to solicit input. After receiving that input, the Commission would be informed of the comments and concerns, and would be in a better position to take action on the GAAMPs.

Director Wyant agreed with Commissioner Maitland's suggestion for the GAAMP process.

Commissioner Tatter also supported Commissioner Maitland's suggestion. He added that one of the Commission's key roles is to provide for public access to the actions of the department.

Chair Stamp believes it is important to address the technical questions before it gets to the final approval stage.

**Commissioner Jordan Tatter** reported that the apple and grape harvest is excellent and yielding quality crops in Southwest Michigan. Blueberries harvest is finished, the crop picked out better than forecasted for tonnage, and quality was good. Corn and soybeans have matured rapidly. All non-irrigated row crops on light textured, well-drained soils were seriously hurt by the drought. Visible water levels in ponds, creeks and wetlands display drawn down surface and groundwater reserves to levels below recent memory. Commissioner Tatter believes that a wet fall and winter is needed.

Commissioner Tatter took part in the Michigan Food Processors Association Harvest Outing held at the St. Ives Country Club in Stanwood, Michigan. He also reported that the Cornerstone Alliance has formed an Economic Recovery Committee in northern Berrien County. Commissioner Tatter is the agricultural representative in this effort.

While traveling in New England, Commissioner Tatter and Alton Wendzel, the President of Coloma Frozen Foods, Inc., met with Dr. John R. Crooks, the Director of Grower Relations of Ocean Spray Cranberries, Inc., in Massachusetts. This offered an opportunity to learn about Ocean Spray and the cranberry business. Dr. Crooks is well aware of Michigan's cranberry industry startup efforts and its processing capacity for cranberries.

Commissioner Tatter also attended the quarterly meeting of the Michigan Economic and Environmental Roundtable. This land use conference held in Traverse City was attended by 200 attendees, of which 26 were state legislators. A major "Land Based Industries Conference" is also in the planning stages by the Roundtable. Agriculture, along with forestry, mining, and tourism will be featured. The event will be held next year and will be of national stature. He believes that those in agriculture should take note of a recent Roundtable publication funded by the Frey Foundation entitled, "*Status of Michigan Cities—An Index of Urban Well-Being*," which offers an insight into rural sprawl.

He reported that the Transportation Funding Study Committee continues to meet on a regular basis. Commissioner Tatter distributed copies of a presentation made to the committee by Mr. Jim Miller of the Michigan Farm Bureau. The committee's learning phase is drawing to a close and deliberations leading up to recommendations to the Legislature are beginning. Jeff Friedle of MDA has been a major help and his assignment is greatly appreciated.

Commissioner Tatter said that the federal Risk Management Agency has announced that the per bushel value for Michigan's peach crop loss was adjusted to recognize the calculation errors pointed out by a Berrien County grower. The problem remains that the correction would apply to next year's crop loss, if any, and not this year's. Commissioner Tatter appreciated the efforts of Dale Sherwin of MDA in his pursuit of this matter with

Washington officials.

He said that the Michigan Department of Environmental Quality is considering a proposal to impose groundwater surveillance fees on Michigan food processors to increase dedicated staffing by more than twofold. Commissioner Tatter suggests asking Terry Morrison, Executive Director of the Michigan Food Processors Association, to provide the Commission with his group's appraisal of this proposal.

**Commissioner Deanna Stamp** has received concerns from soybean growers in her region about the availability of non Genetically Modified Organisms (GMO) feed for the 2000 crop year. Growers are very concerned that there would not be seed readily available for the next crop year.

She attended the Michigan Agriculture Commodities Open House held in Marlette. She said the event was well-attended and she was impressed with the fact that the rail service provided an engine and a rail car to take the visitors on a tour. She appreciated the commitment the rail service has shown toward community.

Commissioner Stamp also has received concerns about Michigan's bovine tuberculosis zone status and its impact on producers if testing requirements are expanded

Commissioner Stamp extended her personal sympathies to the family of Elton Smith. Elton Smith was not only a great ag leader and good dairy man, but a very dedicated and enthusiastic individual. He will be sorely missed.

### **DIRECTOR'S REPORT – Dan Wyant**

**Ontario/Michigan Trade Meeting:** As part of the National Association of State Departments of Agriculture annual trade accord held between Canada, Mexico and the United States, Ontario has presented an opportunity for establishing a Great Lakes/Ontario subgovernmental relationship. The states of Michigan, New York, Wisconsin, Illinois and Ohio are committed to perfect that relationship. There are many issues that can be addressed on a subgovernmental level that would not be addressed at the federal level. Canadians are very dependent on the U.S. economy, just as the U.S. is dependent on the ability to export. There are many issues on both sides of the table that need to be discussed in order to identify our common ground.

Director Wyant suggested discussing the GMO issue at the October 13, 1999, and November 10, 1999, Commission meetings. Commissioner Darling will be traveling to Seattle (November 29-December 3) to represent the Michigan Farm Bureau at the World Trade Organization discussions. The GMO issue is a front-burner issue in any national discussion and there has been a lot of analysis.

**Captive Cervid Regulation:** A bill has been introduced to move the entire captive cervidae regulatory program to MDA. Currently, a permit is required from the DNR to maintain a captive cervid operation and as a condition of that permit, fencing requirements must be met. MDA, DNR, MSU, Michigan Farm Bureau, the captive cervid industry, and sportsmen's groups are discussing the issues of fencing, management, health, exotics, disease, etc. Copies of the white paper developed by MSU were given to the Commission. It is anticipated that the group would make a presentation to the joint commission meeting held in March.

**Farmland Preservation:** House Republicans have announced formation of a nine-member task force on land use.

**Select Michigan:** The kickoff will be held in October for the Select Michigan program. Successful pilot programs were held and 76 percent of consumers indicated they would be inclined to buy Michigan products if those products were identified in the stores. Michigan needs to help the agriculture situation by expanding the markets. MDA will continue to work closely with the commodity groups on this program.

**Michigan Food Processing Company Visits:** The visits to Michigan food processing companies were very productive. The interviews were part of the MDA-MSU food processor industry study to gain a more in-depth understanding of the business climate processors experience in Michigan.

**Food Quality Protection Act (FQPA):** Director Wyant explained that MDA has prepared a policy statement for Commission approval regarding FQPA and how it should be implemented and administered.

## **RESOLUTION FOR THE FOOD QUALITY PROTECTION ACT**

The enactment of the federal Food Quality Protection Act (FQPA) in 1996 created a new system to evaluate pesticide residue tolerances on agricultural commodities, amending both FIFRA and FFDCFA, setting a new standard for pesticides used on food. FQPA established a single, health-based standard to be used when assessing the risks of pesticide residues in food or feed. The new safety standard is set after considering the aggregate risk from dietary exposure and other non-occupational sources of exposure, such as drinking water, structural, and residential lawn uses. The new standard does not consider the impact on the production or availability of fresh fruits and vegetables nor the critical role they play in a healthy diet.

WHEREAS, according to the National Academy of Science, the benefits of eating fresh fruits and vegetables significantly outweighs the risk associated with current legal pesticide tolerances; and

WHEREAS, the implementation of FQPA may have a negative impact on production agriculture, including the production of fresh fruits and vegetables and other agricultural commodities, due to the loss of available pest management tools (pesticides); and

WHEREAS, the FQPA current strategy (to assess tolerances on organophosphates, carbamate and B2 pesticides) will have a significant effect on Michigan fresh fruit, and vegetable products and other agricultural commodities; and

WHEREAS, decisions made under the provisions of FQPA may occur without complete and scientifically accurate data; and

WHEREAS, pesticide registration cancellations made under the provisions of FQPA may occur based on economic decisions at the pesticide registrant level; and

WHEREAS, such decisions made under the provisions of FQPA may result in cancellation of tolerances and related uses without data supporting the actual risk of human exposure and related health effects.

NOW, THEREFORE BE IT RESOLVED, that the Michigan Commission of Agriculture requests that EPA decisions on pesticide use and tolerance reassessment allow the use of pesticides for agricultural production where no significant consumer exposure occurs.

FURTHER BE IT RESOLVED, that these decisions should address scientifically supported concerns related to consumer dietary risks, rather than perceived or modeled risks; and

FURTHER BE IT RESOLVED, that these decisions occur based on sound scientific data representing an actual improvement in the safety of consumer food products; and

FURTHER BE IT RESOLVED, that these decisions occur in a transparent process allowing input from all affected parties; and

FURTHER BE IT RESOLVED, that these decisions consider the availability of pest management alternatives for commodities affected by pesticide registration cancellations.

FINALLY, BE IT RESOLVED, that timely and open communication with state and national industry groups is critical in ensuring the successful implementation of a comprehensive, scientifically based strategy.

**MOTION TO AMEND: COMMISSIONER TATTER MOVED TO AMEND THE MOTION BY STRIKING THE WORD "FRESH" AS IT APPEARS BEFORE THE WORD "FRUITS". SECONDED.**

**MOTION CARRIED UNANIMOUSLY.**

**MOTION TO AMEND: COMMISSIONER MAITLAND MOVED TO AMEND THE MOTION BY ADDING THE WORDING "AND OTHER AGRICULTURAL COMMODITIES" TO PARAGRAPHS 3 and 4. SECONDED.**

**MOTION CARRIED UNANIMOUSLY.**

## **MOTION CARRIED UNANIMOUSLY.**

Director Wyant recommended that with the Commission's approval, MDA would contact Michigan's Congressional delegation to submit the resolution. The Commission agreed.

**Agricultural Marketing and Bargaining Board:** Dave Charney reported that the apple marketing period began September 20, 1999. As of that date, MACMA had negotiated successful contracts with all but two apple processors. Letters were sent to those two processors instituting the arbitration process under PA 344. He also reported that the court case between Cherry Growers, Inc., the AMBB and MACMA still pends before the Michigan Court of Appeals.

## **INTRODUCTION OF PAUL BURKE, INTERNATIONAL MARKETING MANAGER, OFFICE OF AGRICULTURE DEVELOPMENT: Robert Craig, Director of the Office of Agriculture Development**

Robert Craig, director of the Office of Agriculture Development, introduced Paul Burke, the new International Marketing Manager. Mr. Burke is a native of Michigan, a graduate of Michigan State University, receiving his degree in International Relations and History. He is fluent in Mandarin Chinese and has lived and worked in Hong Kong and Taiwan. He has a wide array of knowledge, experience, and education in international agricultural marketing.

Chair Stamp welcomed Mr. Burke to MDA and expressed the Commission's support of the international marketing program.

Commissioner Tatter encouraged sharing the program's successes not only with MDA and the Commission, but with the Legislature as well.

Director Wyant said that he has asked that Mr. Burke and Office of Agriculture Development staff work closely with the commodity groups to identify their specific issues. He said that Mr. Burke would be an asset to the international marketing program.

## **UPDATE ON PA 232 COMMODITY GROUPS: Sandy Hill, Commodity Coordinator, Office of Agriculture Development**

Sandy Hill, Commodity Coordinator, Office of Agriculture Development, distributed and reviewed information about the current status of PA 232 commodity groups.

## **SENATE AGRICULTURAL PRESERVATION TASK FORCE: Senator George McManus**

Director Wyant welcomed Senator George McManus to the Commission meeting. He expressed his appreciation for the Senator's appearance before the Commission and for sharing the findings of the Senate Agricultural Preservation Task Force. Director Wyant said that the Senate Agricultural Task Force, chaired by Senator McManus, included Senator Joanne Emmons, Senator Kenneth Sikkema, Senator Dianne Byrum and Senator Don Koivisto.

Senator George McManus said the discussion of preserving farmland has been ongoing for several years. He believes that it will not do any good to preserve farmland if there aren't any farmers. He said that less than 8 percent of the 50,000 farmers in this state are under 35 years old.

Senator McManus reviewed the September 1999 Senate Agriculture Preservation Task Force report and outlined the recommendations:

### **State Issues**

- 1. Base property taxes on a parcel's current use, not the highest and best use.** This would reduce the property tax burden on farmers, thereby reducing costs and improving profitability. There was consistent support for this policy at the hearings. The state constitution will have to be amended to bring this about.
- 2. Maintain the assessment cap on agricultural property when it is transferred.** Perhaps more testimony



was presented on this issue than any other. This pop-up tax dramatically increases a farmer's tax burden when he or she obtains additional land through purchase or inheritance. Maintaining the assessment cap, provided the land remains in agriculture, reduces costs and again helps those farmers just beginning their careers.

**3. Strengthen the Right to Farm Act.** Strengthening the Right to Farm Act was often mentioned in testimony, along with examples of local ordinances and regulations that made farming very difficult. This policy would reduce regulatory costs that farmers face, allow them to take advantage of economies of scale, and improve their profitability.

**4. Amend PA 116, the Farmland and Open Space Act, to reduce the income threshold from its current 7 percent.** As a result of Proposal A, the incentive to keep land enrolled in PA 116 has been seriously reduced. Cutting the threshold from 7 percent to a lower figure returns the incentive. Before passage of Proposal A, this program was very popular with farmers; about 40 percent of the land is enrolled in PA 116. If the incentive to stay in the program is reinstated—tax costs go down, profitability is improved, and farmland is preserved. This policy will also replenish the amount of funding for the Purchase of Development Rights (PDRs). Increased tax credits will eventually lead to more money in the PA 116 Lien Fund for the PDRs.

**5. Institute a policy that reduces wildlife damage.** Damage to crops resulting from wildlife is a serious issue facing farmers in some parts of the state. According to testimony, the primary source of this damage is the whitetail deer. Efforts to reduce overpopulation should be put in place. Failing that, farmers should receive financial compensation for excessive wildlife damage. Options include, but are not limited to, reimbursing farmers for wildlife damage, lengthening the deer season, and making block permits and crop damage permits easier to obtain.

**6. Require the Michigan Departments of Agriculture and Natural Resources to develop a policy on captive cervidae farms by March 2000.** Currently, captive cervidae farming is under the control of the DNR. However, these operations are very similar to typical livestock farms. Captive cervidae can be a niche market, improving the profitability of some of those farmers. These regulations would apply only to farming operations, not game preserves.

**7. Exempt cooperatives from the personal property tax.** Farmers are already exempt from the personal property tax. It only makes sense to extend the same policy to farmer-owned cooperatives. Exempting cooperatives from the personal property tax also would encourage processing and increase the profitability of farmers.

**8. Emphasize food and agriculture processing in the Michigan Economic Growth Authority (MEGA).** Despite efforts from the state, the amount of persons employed in food processing has declined. Some processors have closed. This has limited marketing options for farmers. A commitment by MEGA may be needed to encourage processors to locate in Michigan. This would be beneficial in several areas: it would increase farm income, it would increase employment options for workers, and it would add to the diversity of Michigan's economy.

**9. Create Agricultural Security Zones.** Agricultural Security Zones may act as a buffer to protect farmers against restrictive local ordinances. Furthermore, farmers in Agricultural Security Zones could obtain economic incentives to enhance the profitability of farming.

**10. Create a tax credit for an ethanol plant or provide direct funding for an ethanol plant.** Michigan is the only state in the Midwest without an ethanol plant. In order to build a plant, some type of support is needed. Ethanol is a good example of using agricultural products for industrial uses. The development of industrial uses for agricultural products will be critical if demand and prices are to be increased.

**11. Encourage MSU, the Michigan Biotechnology Institute, and MDA to increase value-added activities.** This would improve farm income in a number of ways. It would serve to expand market development, start programs that encourage export promotion, and aid farmers interested in organizing value-added cooperatives.

**12. Create a tax credit for older farmers who rent their land to younger farmers.** This is similar to an act that was recently enacted in Nebraska. This has the potential to reduce costs to young farmer facing the need

to finance their operations, thereby reducing the barriers to entry for young farmers. A subsidiary benefit to this program is that it may preserve farmland.

## **Federal Issues**

- 1. Pass a resolution dealing with the FQPA such as support for HR 1592 or S1464, The Regulatory Fairness and Openness Act.** The way this act is being implemented works against farmers and food safety. It places a great number of fruit and vegetable crops in Michigan at risk. Time is needed to develop alternatives to pesticides, and the FQPA does not allow this to happen. There is also some question regarding the way the EPA is implementing the act.
- 2. Pass a resolution, which supports giving the President fast track authority for trade negotiations.** Current policy has the U.S. on the outside looking in as other nations form trading blocs. This hurts U.S. farmers' access to foreign markets, restricts trade, and lowers commodity prices. By giving the President fast track authority, new markets could open up to farmers and their profits would improve.
- 3. Pass a resolution supporting the elimination of the federal estate tax.** The current estate tax on farmers is onerous and leads to the breakup of farms. Assets are sold off to pay the estate tax. The estate tax makes it more difficult for the next generation of farmers to take over from their parents. It also increases the cost of production and reduces farm incomes.
- 4. Pass a resolution asking Congress to investigate possible antitrust violations in processing industries dominated by a few large firms.** The level of concentration in the processing industries has increased dramatically. So has the market power of the remaining processors. At the same time, prices for farm products have declined. Investigations need to take place to see if there is a linkage and if processors are behaving in an anti-competitive manner.
- 5. Pass a resolution supporting price and contract reporting legislation.** One way to improve competition is by improving the amount of information buyers and sellers have. Price reporting can do this. Price reporting also makes it easier to determine if processors are engaged in price fixing or other anti-competitive behavior. However, price reporting legislation has to be carefully drafted so that individual producers are not identified. The South Dakota experience shows that it is not possible to effectively enact price reporting legislation at the state level.
- 6. Pass a resolution asking for better access to credit for farmers, processors, and cooperatives.** Access to credit is the lifeblood of agriculture. Policies pursued by the Fed and concentration in the banking industry has reduced this access. Either less restrictive monetary policy or new methods of lending are needed for a healthy agriculture.
- 7. Pass a resolution supporting a national standard for organic foods.** Organic foods have the potential to become an important niche market for some farmers. However, efforts to promote organic foods are hampered by differing standards. A single national standard for organic foods would help develop this market, improve interstate commerce of these products and improve consumer confidence that these foods meet a standard.
- 8. Pass a resolution asking Congress to investigate dumping from other countries.** Countries that pursue predatory practices such as dumping should be held accountable. The apple juice concentrate industry is a good example of that can happen when an industry is faced with dumping from foreign countries.

Commissioner Tatter asked if this effort has received bipartisan support.

Senator McManus responded that there is good bipartisan support in the Senate due to the members of the task force. He believes that both Houses and the Governor's office are supportive of doing something for agriculture. He added that the Commission of Agriculture is in position to make some impact on the federal level. One advantage we have in Michigan is that there is a lot of industry so farmers can have a part-time job. There are things we can diversify to keep agriculture going, but there isn't any point in a young person going into agriculture if they are going to be taxed out or harassed out by local regulations.

Chair Stamp said the task force committee did a tremendous job in putting together this report and in gathering

information from around the state. She expressed the Commission's appreciation for their efforts and concern for agriculture.

**STATUS REPORT ON RIGHT TO FARM PROGRAM FILES AND APPROVAL TO REFER TO THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY: Wayne Whitman, Environmental Stewardship Division**

Wayne Whitman of the Environmental Stewardship Division reviewed a complaint filed against Mr. Roger Stamp and Tom Boynton of Vandalia, Michigan, regarding their swine farm operation and concerns about a manure runoff problem. Although significant efforts have been made to address the problem, one structural component needs to be installed in order to complete the plan and fully correct the manure runoff problem. Mr. Whitman asked that a letter be sent from the Commission to Mr. Stamp and Mr. Boynton urging implementation of the Generally Accepted Agricultural and Management Practices for Manure Management and Utilization Practices.

**MOTION: COMMISSIONER TATTER MOVED TO APPROVE SENDING A LETTER ON BEHALF OF THE COMMISSION TO MR. ROGER STAMP AND MR. TOM BOYNTON OF VANDALIA, MICHIGAN, REQUESTING COMPLIANCE WITH THE GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR MANURE MANAGEMENT AND UTILIZATION PRACTICES. SECONDED. MOTION CARRIED UNANIMOUSLY.**

Mr. Whitman reviewed a complaint filed against Dan Giannola of Buckley, Michigan, concerning his equine farm operation and a manure mismanagement problem. Mr. Whitman asked that a letter be sent from the Commission to Mr. Giannola urging implementation of the Generally Accepted Agricultural and Management Practices for Manure Management and Utilization Practices

**MOTION: COMMISSIONER MAITLAND MOVED TO APPROVE SENDING A LETTER ON BEHALF OF THE COMMISSION TO MR. DAN GIANNOLA OF BUCKLEY, MICHIGAN, REQUESTING COMPLIANCE WITH THE GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR MANURE MANAGEMENT AND UTILIZATION PRACTICES. SECONDED. MOTION CARRIED UNANIMOUSLY.**

Commissioner Tatter asked what has been learned from the North Carolina flooding situation as it applies to Michigan's livestock operations.

Mr. Whitman replied that Michigan has a lot more diversity and uses phosphorus as a limiting factor since Right to Farm has begun. This has necessitated the distribution of our livestock facilities and tying up some of that land to utilize the nutrients. Where other states are now trying to move to that system, Michigan has been there for a decade. Michigan does not have a concentration of livestock within any particular area.

Director Wyant said North Carolina is one of the highest hog production states. Drainage patterns, concentration, and use of open lagoons contrast significantly with Michigan. Michigan has much smaller operations, our livestock is much more dispersed, pits are covered.

Mr. Whitman said that he has visited facilities in North Carolina and there are two adjacent counties that each produce twice as many hogs as the entire state of Michigan.

Commissioner Darling indicated that it was necessary for him to leave today's meeting, but he offered his support of the resolution honoring Elton Smith.

**MICHIGAN COMMISSION OF AGRICULTURE RESOLUTION HONORING ELTON R. SMITH**

Director Wyant submitted the following resolution for Commission approval in honor of Elton R. Smith:

WHEREAS, Elton R. Smith served as President of Michigan Farm Bureau from 1964 to 1986 and during those 22 years was a highly respected leader of Michigan's largest agricultural organization and he served as Vice President of the American Farm Bureau Federation; and

WHEREAS, Elton Smith's abilities as a forward-thinking, articulate spokesman for agriculture made him a

valued and trusted advisor to U.S. Presidents, Michigan governors, and secretaries of agriculture; and

WHEREAS, Elton Smith was appointed by four U.S. Presidents to serve on trade committees and to lead trade missions to Japan, Europe and Israel; and

WHEREAS, Elton Smith championed agriscience education and research, which was recognized and honored by Michigan State University with the creation of the Elton R. Smith Endowed Chair for Food and Agriculture Policy; and

WHEREAS, Elton Smith demonstrated his commitment to the future of agriculture and his strong support of young farmers, by taking leading roles in youth farm organizations such as 4-H and Future Farmers of America; and

WHEREAS, Elton Smith has been honored by such organizations as Michigan State University, the Michigan Association of Soil Conservation Districts, the Michigan State Horticultural Society, the Michigan Farm Bureau, the American Farm Bureau Federation, the National Future Farmers of America Organization, and the Michigan Farmers Hall of Fame; and

WHEREAS, throughout his adult life, Elton Smith owned and operated Med-O-Bloom dairy farm, an 800-acre, 500-head dairy farm near Caledonia, Michigan;

NOW THEREFORE BE IT RESOLVED, that the Michigan Commission of Agriculture extends to Lynde Smith and daughter, Barbara, best wishes in celebrating the long life and significant accomplishments of Elton Smith upon the occasion of his passing on September 8, 1999.

**MOTION: COMMISSIONER STAMP MOVED THAT THE RESOLUTION HONORING ELTON R. SMITH BE APPROVED. SECONDED. MOTION CARRIED UNANIMOUSLY.**

**PUBLIC COMMENT:**

**Ben Kudwa, Executive Director, of the Michigan Carrot Committee**, discussed two issues facing the carrot industry. He said the industry is concerned about the high impact Canadian exports have on their market area. The industry is also concerned about the DNR baiting regulation taking money away from carrot growers. He said that the sale of salvage carrots is down 50 percent. The carrot industry is about a \$17 million industry in this state and he believes that the government interfering with markets is a serious issue. Mr. Kudwa said that crop damage has been an issue in this state for many years. He said MDA needs to do more on behalf of the farmers. Farmers cannot fight one-on-one with the DNR. He believes it is time for MDA to take this issue head-on on behalf of all the farmers in this state.

Commissioner Tatter asked what was meant by the statement "take this issue head on," and what is Mr. Kudwa's suggestion.

Mr. Kudwa responded that he believes it needs to be addressed just like any environmental issue. A farmer should not be expected to work through the local DNR or the Natural Resources Commission to resolve the problem.

Commissioner Maitland said that the Senate Agricultural Preservation Task Force report specifically asks for a policy on wildlife damage, which gives us an opportunity to look at this issue fully and make recommendations.

Director Wyant agreed and believes that this situation will escalate and will put extra pressure on the farm. Agriculture needs to refocus its efforts on how to manage damage control. He said that there is a recognition on the part of the DNR and MDA that this is the case. He said, however, we need to look at what is good for Michigan. Agriculture does need to address what it is going to do to deal with wildlife damage and how to give the farmers the tools needed to manage that damage.

**Transportation Funding Study Committee:** Commissioner Tatter referred to the presentation made September 2, 1999, by Jim Miller of the Michigan Farm Bureau. He said comments or suggestions on any issue before the committee is welcomed and requested. Commissioner Tatter introduced Jeff Friedle of the

Environmental Stewardship Division and thanked him for assisting Commissioner Tatter on the Transportation Funding Study Committee.

**Tina Love of the Big North Farmers' Cooperative** expressed appreciation to MDA for the help it has given to them.

Ms. Love asked if Michigan could get back into the meat inspection business. She said dealing with the USDA to figure out the requirements is costly and frustrating. Small producers do not have the resources or the staff to research and figure out USDA requirements and guidelines. She said it is much too costly to go through the process of trying to meet the requirements, only to find out at the end that more requirements are needed.

Director Wyant said that MDA has done a tremendous amount of work to help Ms. Love and it can appreciate the frustration. MDA has learned a lot about USDA requirements and guidelines, but there is more to know. If we are talking about preserving agriculture, it is important to identify the barriers and roadblocks that farmers are facing.

Director Wyant said there are many questions that need to be answered about a Michigan meat inspection program. He said that it is a federal requirement that USDA provide inspection at no cost. If Michigan created its own program, the standards would be the same. The standards could be higher, but the basic requirements would not be different. He said that unfortunately the federal government is not in the economic development business, but in food safety. There may be ways to develop a working relationship with the federal government without having a full-fledged state meat inspection program. Director Wyant believes that the issue is worth researching and that MDA would do so and report back at the next Commission meeting. He added that MDA would continue its efforts in assisting Ms. Love.

**Ron Nelson of the Michigan Farm Bureau** thanked Director Wyant and MDA staff for their leadership with the DNR on the captive cervidae issue. Mr. Nelson added that he believes Senator McManus' recommendations can make a difference and many can be accomplished this calendar year. He said he could relate to Ms. Love's frustration and can relate it to the Turkey Cooperative. Mr. Nelson said that he believes the only thing that has changed in crop damage in the last 20 years is that more farmers are suffering from it. It's nothing new, just more intense. He said he is frustrated as well with the changes in the deer feeding issue.

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**MOTION: COMMISSIONER MAITLAND MOVED THAT THE DEPARTMENT ESTABLISH A PROCESS TO RECEIVE PUBLIC AND WRITTEN INPUT ON GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES PRIOR TO COMMISSION ACTION. SECONDED. MOTION CARRIED UNANIMOUSLY.**

Commissioner Maitland asked how the Commission and MDA would be involved in the recommendations from the Senate Agricultural Preservation Task Force.

Director Wyant reviewed the recommendations and recommended that item 11, "Encourage MSU, the Michigan Biotechnology Institute, and MDA to increase value-added activities," is one that the department and Commission need to pursue and develop. The other recommendations are currently being addressed in one form or another.

## **ADJOURN**

**MOTION: COMMISSIONER MAITLAND MOVED THAT THE MEETING BE ADJOURNED. SECONDED. MOTION CARRIED UNANIMOUSLY.**

The meeting adjourned at 1:20 p.m.

## **ATTACHMENTS**

The following documentation is on file in the Commission of Agriculture office and is available upon request:

Attachment A Initial Generally Accepted Agricultural and Management

Meeting Minutes - September 1999

Practices for Nutrient Utilization

Attachment B *"Managing Stress Factors in Soybean Production, Soybean Nitrogen Requirement for Growth and Development"*

Attachment C Correspondence from The Michigan Land Use Institute, dated September 15, 1999

Attachment D Correspondence from Mr. Phil Forner, dated August 23, 1999, and September 21, 1999

Attachment E Commission of Agriculture August 26-27, 1999, Meeting Minutes

Attachment F Bovine Tuberculosis Maps, as of 7/14/99

Attachment G Northeast Michigan Bovine Tuberculosis Surveillance Program Summary Report, September 14, 1999

Attachment H Michigan Department of Natural Resources Memorandum to the Natural Resources Commission, "Deer and Elk Feeding Regulations," revised September 8, 1999

Attachment I Director's Report – September 1999

Attachment J Update on PA 232 Commodity Groups, 9/22/99

Attachment K 1999 Senate Agriculture Preservation Task Force Report

Attachment L Commission of Agriculture Correspondence to Mr. Roger Stamp and Tom Boynton of Vandalia, Michigan, dated 9/22/99

Attachment M Commission of Agriculture Correspondence to Mr. Dan Giannola of Buckley, Michigan, dated 9/22/99

Attachment N Commission of Agriculture Resolution Honoring Elton R. Smith