

**MICHIGAN COMMISSION OF AGRICULTURE
Lansing Center
Governor's Room
333 E. Michigan Avenue
Lansing, Michigan 48933**

**MEETING MINUTES
FEBRUARY 6, 2007**

PRESENT:

James Byrum, Chair
Ann Jousma-Miller, Secretary
Don Coe, Commission of Agriculture
Mitch Irwin, Director, Michigan Department of Agriculture

CALL TO ORDER AND ROLL CALL

Chairperson Byrum called the meeting of the Commission of Agriculture to order at 10:00 a.m. on Tuesday, February 6, 2007. Commissioner Byrum noted that Commissioners Jousma-Miller and Coe and Director Irwin present. Commissioner Dale Norton was absent.

APPROVAL OF AGENDA

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE THE FEBRUARY 6, 2007 AGENDA. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

ELECTION OF COMMISSION SECRETARY

MOTION: COMMISSIONER COE NOMINATED COMMISSIONER JOUSMA-MILLER AS SECRETARY. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF JANUARY MEETING MINUTES

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE THE JANUARY 8, 2007 MEETING MINUTES. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

REVISED 2007 COMMISSIONER MEETING SCHEDULE

MOTION: COMMISSIONER COE MOVED TO APPROVE THE REVISED 2007 MEETING SCHEDULE. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

MICHIGAN COMMISSION OF AGRICULTURE POLICIES ANNUAL REVIEW:

Director Mitch Irwin

Director Irwin presented the Michigan Commission of Agriculture Policies for their annual review. As per past practices, Commissioners were asked at the January meeting to review the policies and contact staff with comments. As no comments were received, the policies were deemed to be satisfactory.

MOTION: COMMISSISONER COE MOVED TO SUPPORT THE POLICIES AS PRESENTED. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

NEXT SCHEDULED MEETING

The next scheduled meeting will be held March 6, 2007 at Kellogg Center in East Lansing, in conjunction with ANR Week at Michigan State University.

COMMISSIONERS' TRAVEL

January 16, 2007, Northwest Michigan Orchard and Vineyard Show, Traverse City – Commissioner Coe

January 18, 2007, Taste the Local Difference Conference, Traverse City – Commissioner Coe

January 27, 2007, Northern Michigan Small Farm Conference, Grayling – Commissioner Coe

January 29, 2007, Leelanau County Extension Council Meeting – Commissioner Coe

February 3-4, 2007, Midwest Wine Conference, St. Louis, MO – Commissioner Coe

February 7, 2007, Michigan Conservation Summit, Lansing – Commissioner Coe

February 8, 2007, Seeds of Prosperity Conference, Lansing – Commissioner Coe

February 19, 2007, MSU Land Policy Institute Conference, East Lansing – Commissioner Coe

February 23, 2007, Leelanau County Michigan Works! Meeting – Commissioner Coe

February 26, 2007, Small Farm and Marketing Conference, Traverse City – Commissioner Coe

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE COMMISSIONERS' TRAVEL. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

COMMISSION COMMENTS:

Commissioner Coe noted he attended the Northwest Michigan Orchard and Vineyard Show, where they honored Jim Nugent, who retired as the director of the Northwest Horticulture Research Station in Leelanau County. There was a meeting of the Experiment Station Foundation, where the Michigan Department of Agriculture's support was acknowledged in the Foundation's financial report (a line item in the department's budget) He hopes that support will continue.

He also attended the Taste the Local Difference Conference in Traverse City. This conference brought together individuals from institutional food operations and local restaurants with the farm community to discuss how to get more locally grown food to the Grand Traverse Bay consumers. Just five percent of the food consumed in Grand Traverse Bay would represent a \$50 million market for the growers in the area.

He noted he would be serving on the recruitment committee for the new director of the Leelanau County Extension.

He attended the Northern Michigan Small Farm Conference with over 700 attending representing all types of farms in the region. There were very good workshops offered covering a number of small farm issues.

On February 3-4, 2007, he commented that he spoke at the Midwest Wine Conference in St. Louis, Missouri, about attracting visitors to an agricultural tourism destination.

Commissioner Jousma-Miller thanked Jeanne Lipe for her work with Michigan State University (MSU) on the database for Agriculture Tourism. Several new operations have been identified since the proposal was completed for the legislature.

She noted that Director Irwin will be attending an "Agriculture for the Future Conference" to be held in the Upper Peninsula (UP) on March 16, 2007. At that time there will also be discussions regarding the future of the Upper Peninsula State Fairgrounds.

There were four meetings held in the UP on an update for Bovine Tuberculosis (TB), one was a public hearing. Approximately 130 people attended. All attending have electronic identification (ID) on their animals. There are just a few small farms in the UP that do not have electronic ID tags. Their concern was mostly with the movement permit and having either a toll-free number or website to contact.

There is also a group, led by the Ben Bartlett, a livestock specialist with MSU Extension, who will be touring Australia and New Zealand to evaluate their dairy industry and cow-calf operations. Several UP farmers will be included.

She noted meetings being conducted discussing biomass using switch grass, wood residue and other materials for ethanol.

Commissioner Byrum commented about the number of acres of corn being planted. There is a projection of a half million more acres of corn in Michigan than last year, with less acreage in other crops (a quarter million less soybean and 50,000 less dry beans) primarily driven by the high price of corn.

There is much discussion about the impact of ethanol demand for corn on other commodity prices, especially livestock production costs, hog feeding, and poultry production. Some small dairy producers are discussing grown corn instead.

He noted his concern about the amount of fertilizer that will need to move between now and planting. Last year demand in the state was down about 10 percent. This year he projects demand could be up between 25 and 30 percent. There are also issues with the production of some fertilizers.

DIRECTOR'S REPORT

Director Irwin noted an export seminar coming up in Allen Park, Michigan. It is hoped that Michigan will move beyond the billion dollar mark in exports out of Michigan this year.

He commented that for the first time since the program started in 1966, the Migrant Labor Housing program has collected the first fine (\$4,000) for operating without a license. There is a renewed interest in this program because of the growing number of farm operations using seasonal and migrant workers.

Additionally, the Michigan Agriculture Environmental Assurance Program (MAEAP) had the first UP farm verified. He congratulated Robert Getzloff, Getz-milk Dairy, in Menominee County, for their efforts to become verified. Interest in the MAEAP program continues to grow as a strong environmental stewardship program.

He noted that since January, there have been 13 food borne illness outbreaks reported to MDA. Almost all have been confirmed norovirus related.

He briefly discussed changes in acreage of crops noted in the commodity update provided by Michigan Agricultural Statistics.

Director Irwin commented about several upcoming events including Governor Granholm's State of the State Address, Michigan Conservations Summit (Michigan Department of Natural Resources, Michigan Department of Environmental Quality and MDA), and the Governor's Budget Presentation. He noted there are ongoing budget issues in the state and there will need to be significant change in state government.

He shared with the Commission that there will be budget briefings with all MDA employees, either in person or via video conference. Anyone who wishes to may hear a presentation by budget staff, Dr. Mellon and Director Irwin, regarding potential impact. He stated that it will be a challenging year and they are seeking input from both employees and the Commission.

There will also be stakeholder meetings with small groups who have an interest in the legislative and executive recommendations on both priorities and budgeting. Meetings will also be stepped up with members of the legislators.

Additionally, the Agriculture Tourism Report is now available on the MDA website and staff has received good feedback. He thanked staff Jeanne Lipe, Linda Jones and Liana Bennett for their hard work on this report.

He commented briefly about the Renewable Fuels Commission and MDA's role to review the impediments to and enhancement opportunities for renewable fuels. There is tremendous interest in continuing to use existing technology and, more importantly, looking at ways to enhance technologies where agriculture plays a prominent role for fuels for vehicles and production of component parts.

He noted a bill signing with Governor Granholm that took place on January 25, 2007. The bill provides incentives for methane digesters. There are three digesters operating with a permit in Michigan and many others interested in the process.

In response to a question from Commissioner Coe about a new inspection fee for migrant labor housing, Director Irwin said there was nothing pending at this time.

DIRECTOR'S TRAVEL:

- March 22-24, 2007; 2007 Bio-World Conference, Orlando, FL

MOTION: COMMISSIONER COE MOVED TO APPROVE THE ABOVE TRAVEL FOR THE DIRECTOR. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

**ANIMAL IDENTIFICATION UPDATE: Kevin Kirk, Special Assistant to the Director,
Animal Industry Division**

Mr. Kirk distributed and briefly discussed an updated document entitled "ID Iceberg" that included current numbers of producers using RFID tags and the number of tags sold.

He distributed and reviewed the Activities and Impacts -2006-07 of the Michigan RFID Education Task Force. He discussed the background and outreach activities communicating the importance of animal identification throughout the state, including 4-H youth and livestock leaders. Mr. Kirk also spoke at the Fairs & Exhibitions Annual Meeting in January about the 4-H outreach.

Currently there are a number calf weigh-ins going on and there were a few that did not have tags. They are being sent out to make sure they are in place for the upcoming weigh-ins required by the counties. The objective is to have all 4-H kids show up at the fairs next summer with tags. Communication with the counties and leaders will continue.

Additionally, there is a meeting scheduled with the livestock auction markets. There will be plenty of tags on hand at the market as we go into the spring. The auctions and markets are willing to work cooperatively to keep commerce moving in the state of Michigan.

He passed around a new premises identification registration card and briefly discussed the option that will soon be available for producers to purchase identification tags from other vendors besides the State of Michigan.

In response to a question from Commissioner Jousma-Miller about the movement permit, Mr. Kirk said they are developing a web based system, the same as in the modified accredited zone, so producers can get the information at home at any time. That software is currently being developed. Additionally, there will be a toll-free number in Lansing. The movement permits will also be available at the north end of the Mackinaw Bridge.

Commissioner Jousma-Miller expressed concern over stress in the marketplace in the UP. She indicated that they would like to see more signage at the Mackinaw Bridge and the need to continue to work with Wisconsin to buy cattle from the UP.

Dr. Steven Halstead, State Veterinarian, joined Mr. Kirk at the speakers table. He responded that MDA is reviewing signage at the Mackinaw Bridge and there will be improved signage in both directions to specifically address the TB checkpoint. Increased surveillance is also being reviewed. Additional contact must be made with Wisconsin officials to assure them their concerns have been

addressed and also with producer groups in Wisconsin to try and re-open the market.

Commissioner Jousma-Miller stated that ongoing training with the Bridge Authority is vital. Additionally, she knows of Wisconsin businesses that are now willing to take UP cattle.

PUBLIC COMMENT

Commissioner Byrum reviewed the Commission policy established for Public Comment.

Lisa Imerman, Liberty Art Coalition, from Waterford, Michigan submitted written comments and made the following comments:

Regarding food safety concerns, the Michigan Department of Agriculture, Mitch Irwin, has stated that the number one goal of the MDA is food safety. That is a commendable goal and I think everyone that opposes the mandatory cattle RFID program, and the NAIS, agrees that food safety is very important. However, what has been clearly lacking in the explanations of the MDA and their supporters is how this program will increase food safety. Mr. Irwin has stated that the Michigan mandatory cattle RFID tagging program will enhance food safety and will keep the food supply chain safe. He has never stated how that will happen. Dr. Halstead stated that the program would allow them to trace contaminated food back to the point of contamination and beyond to the farm where it originated, then it can be quickly removed from the marketplace. I don't think that is possible with this system. The current food trace system is not going to be impacted by this RFID program. By the time a contaminated food product is discovered in the food supply, it is too late to trace it back to the farm. I am sure that MDA knows the slaughter procedure in a slaughterhouse. I, as a consumer, know relatively little. I do know that once a cow enters a slaughterhouse and the carcass and insides are inspected, the tag is removed. By the time a cow is cut into pieces and processed, and becomes food, it is commingled and there is no ability to trace it back to the farm or origin. If a diseased cow is discovered during the preliminary inspection period, a 48 hour trace back is of little use to insuring food safety as the rest of the herd will already be in the food supply. Recalls of meat products are infrequent and usually have delays that decrease their effectiveness as a method of preventing food borne illness. Many times the recalled meat is simply reprocessed and cooked by the company and then enters the food system for humans and/or animals. A far more appropriate and effective solution to increase food safety would be to increase inspections at the slaughterhouses and to decentralize our food supply systems so that there is less instances of outbreaks due to the poor factory farming models. If we increase the market share of the sustainable farmers that provide food to local communities and follow proper animal husbandry practices,

that would one of the most effective ways to protect the food supply. This cattle RFID program would do the exact opposite by lowering the small farmers' ability to compete under such a burdensome system.

I feel there are legal issues with the policy change. According to MDA, they get their authority from MCL 287.709(8). According to that, they may "develop, implement and enforce scientifically based..." To my knowledge, there have been no scientific studies or justification for implementing this program.

I also think the TB eradication issue is also not scientifically based.

Rob Malcomson made the following comments: When I heard about the federal USDA proposed program I was appalled that someone would actually come up with that sort of thing and actually try to put it into practice. When it was delegated to states I thought it was more unreasonable activity. Being a freezer beef, direct market type of producer, I would be forced to make a choice whether to continue to be in production since accepting a premises ID number in unacceptable to me for legal reason. My customers would be quite disappointed they would not be able to get my high quality product anymore and it would probably ultimately end up in the courts and you hate to go through all that when it is really not necessary. I will keep my comments brief and appreciate it if you folks would do the right thing.

Doug Meiberg is a registered Angus breeder from North Branch. He submitted written comments and made the following comments: I am presenting my estimate of both the extra expense to both the state of Michigan as a result of the Michigan mandatory animal ID program and the losses to the cattle industry in the state of Michigan if RFID is instituted March 1st. I think it is quite ironic that I am here talking about that this morning and how we're going to spend a bunch of money and here this afternoon the governor is going to talk about how to save a bunch of money. I have presented to you in the first part what I have taken as my estimate on advertising and promotion that MDA will spend, that came to \$150,000. I'm guessing that they will need 10 additional vehicles to operate and that is \$300,000. I estimate they will have to hire 10 new people with related expenses at \$500,000. Animal tracking, we don't know what that number is, we are told it is \$18. Countries that have had it for a while, Australia is \$37 a head and England is \$65 a head. Using our cost at \$18 a head, that is \$18,000,000 that somebody at the MDA will have to write a check for. The bottom line is that about \$20 million will have to come out of the treasury of the state of Michigan to put this into effect if I am right in my numbers.

I would like to talk about the losses to the cattle industry and these I am more comfortable with. Right off the top we have to spend \$2 million just to by tags and taggers. I'm estimating that five percent of the cattle will leave the business

in this state. That is a \$40 million number that will not be money available to be spent somewhere else. A farmer spends his money five times on Main Street. That \$40 million will not turn into \$200 million. I've gone ahead and have nine other categories that I am very comfortable with. The bottom line is \$280,000,000 will not be spent in this state if we put this thing into place March 1st.

Above all we have a system in place that is working to monitor TB outside the surveillance zone now. When the state of Michigan is looking for money to pay bills why on earth would we add a tremendous new expense to a system that is already in place. Keep in mind that MDA is the organization that spent \$100 million of our money to eradicate TB and we more TB than when we started. Does that make common sense to give them more money to spend?

Ed Zimba submitted written comments then made the following comments: I appreciate what you guys are doing for us, don't get me wrong. I would like to express that I am thankful to have this opportunity to voice my concerns about the MDA Premise ID and RFID program. However, I am also quite frustrated that we have had to come again. I think it is very important that the Ag Commission realizes that is no small sacrifice for us farmers to take the time away from our farms especially with the broken water lines, frozen manure equipment, not to mention getting tractors started that the severe cold weather caused. If we didn't have this bad weather, the room would be packed.

Me and my wife own a multi-million dollar organic dairy and crop farm. The MDA says that RFID will be a better marketing tool. We get over \$30/cwt for our milk. That is 2-1/2 times what anyone else gets on the regular market. We get \$1.50 per pound for our beef steers, that's twice as much as the regular market. We trace from birth to death under the strict USDA Organic Program. I don't expect all farmers to farm organically and so I do not expect to be forced into complying with this regulation which I will challenge if it goes into effect. So either eliminate it or make it voluntary.

I am sure by now that you have heard the major argument against the premise ID and RFID program so I would like to highlight a few that are still really troubling me.

The MDA had a meeting last week and I attended with others that are here today. The intent was to give clarification and hopefully answer questions, however I still have unanswered questions. There is a conflict of interest with Kevin Kirk who is an MDA official implementing this program and also the treasurer of an industrial organization, NIAA, which is advocating NAIS.

They advertised over 23 radio stations across the state, that's why he's getting people to sign up for this, it's a big scare tactic. I'd sign up for it if I didn't have enough brains to figure out what was going on here. I got nothing against Kevin, but we've got to use some common sense here on this thing. You guys are violating our 1st, 5th and 14th amendments. As a businessman myself I am disturbed by the MDA poor financial management and that has been said clear here today.

Another economic concern is that this program undermines the Governor's Michigan Food Policy goals to increase the purchase of Michigan local foods.

The MDA tells us it is not the NAIS program. I say if it walks like a duck and quacks like a duck, it's a duck. As many others I am deeply concerned about these programs that are leading us into the future and more of our rights are stripped away. Have you as the Ag Commission thought of the lasting implications this will have on our state and nation? NAIS at the state level is a USDA way of making a nationwide mandatory program which may become international as well.

I got a business at home and I want to leave here today to know if I'm going to sell out, hire lawyers and I have 15 full time employees at home and I want to give them answers today. I don't want to leave here with no answers from this board.

Andy Schneider submitted written comments and made the following comments: I am a dairy farmer, a taxpayer and a member of Farm Bureau. I am for the eradication of TB in Michigan but I am opposed to this proposal. First it should be stated that the MDA has presented a lot of organizations as being in support of this, such as Farm Bureau, MMPA and the Michigan Cattlemen's Association. Not one of those organizations went to their memberships and had a membership vote. The boards of those organizations voted their own personal interests. They did not go to their memberships and ask for their opinions. I believe that those organizations, as they are being represented now, are misrepresenting their members.

Second, the proposal as it stands will not eradicate TB in Michigan. Last week, Dr. VanderKlok was on the record, January 29, 2007, stating that dozens of new TB infections have occurred since the mandatory RFID tagging was instituted in the TB infected zone starting in the summer of 2002. With mandatory RFID, the new infections are still happening. He also stated that when Michigan first lost its TB free status, 60-65 percent of the new infections came from wildlife. He further stated that in the last year, 6 out of 7 of the new infections were confirmed as caused by wildlife and the 7th infection could still be confirmed as wildlife caused. That means that currently a minimum of 85 percent and possibly 100 percent of

the new infections are wildlife caused. Therefore, statewide mandatory cattle tagging cannot end the TB problem. The MDA and the DNR need to work together to implement programs that worked in the past. When dealing with nuisance animals, animals such as TB infected wildlife, the state in the past has used bounty hunting. It is precedented and it has worked. It needs to be used and if this bounty program was to be put in that zone for five years, I would say that the TB problem would probably end.

Third, more people are becoming opposed to this proposal because it could lead to the involvement in the National Animal Identification System. It has been alleged that Kevin Kirk has stated that mandatory RFID tagging in Michigan is the forerunner to NAIS. Our ancestors were free to farm without the undue regulation of NAIS. NAIS is unprecedented, unconstitutional and unnecessary. It cannot cure TB and since food borne illnesses start after the animals reach the slaughterhouse, it won't solve those problems either.

Lastly, if the Commissioners approve this proposal, I would ask there to be two changes. First, there needs to be a sunset clause. When the TB is eradicated in Michigan, the mandatory tagging requirement should end. This follows the precedent of the past. Farmers in Michigan in the past were not required to tag animals when diseases were not present. This would also send a clear message to farmers and MDA officials alike that this program of TB eradication cannot lead to NAIS. Second, because the officials of MDA have insisted that RFID tagging will increase their efficiency at tracking animal diseases, farmers should be treated like partners in the TB eradication effort. All officials of the MDA are compensated and farmers should be compensated as well. For the farmer's time, effort, costs and possible injuries to himself, his employees and animals, every beef and dairy farmer in Michigan should receive an annual stipend on a per animal basis.

Larry Phinney submitted written comments and made the following comments: I am a small beef producer in Clinton County near St. Johns. I have raised beef cattle on my farm for more than 50 years. I'm here today to tell you I'm opposed to the mandatory RFID program. I feel that it will negatively affect some of Michigan's economy. In my own situation, I buy my hay from a farmer that raises hay for a business. I use nearly 1/3 of the hay he sells. He would lose that business if I go out of business. I buy grain and those things from a local elevator and that would be business they would lose also, along with the vet business I do with my vet. I sell freezer beef to many customers and as the gentlemen said earlier, we have high quality beef that people want. They would hate to lose that if we was to go out of business.

I spent one day at the Clare stockyards talking to farmers as they brought their livestock in. It was exiting for me. We keep hearing from all these organizations

that this is a great thing, it's gotta go. I talked to over 100 farmers bringing livestock into Clare and only talked to two farmers that was favorable for the tagging system. Many of them belong to organizations that have been at these hearings testifying that they were for it. Many of those people belong to them organizations and they are not for it. They think they've been deceived and intimidated into the program. Farmers told me they bought the tags because they didn't know what else to do; I haven't put them in yet and don't know if I'm going to. They feel intimidated that they've had to buy these tags that are being forced to go with this program.

The other thing that Kevin Kirk talked about today, they are trying to get these cattle for these kids so that everyone can go to the fair. But I've been livestock committees, fair boards and things through my life and I know that new programs fall through the cracks and I can see when we go the fairs this year, after dad and mom paid \$600-\$800 for a steer for their child, fed them \$4 corn all year, and we go to unload the calf and they don't have a tag and they say sorry, you gotta take it home. You're going to have one bad feeling kid and two ugly parents. I know, I've seen it happen. This is a new program and I guarantee you this will happen somewhere in this state though all these county fairs.

In these hearings we've listen to these farm organizations tell these people are all for this. I'm a dues paying member of Michigan Cattlemen's and they do not represent me. I find it ironic that we have young men and women dying in Iraq for our freedom and we're letting the federal and state government come in the back door and take our freedoms away from us.

Harley Thomas submitted written comments and made the following comments: My name is Harley Thomas and my wife and I are organic dairy farmers here in Michigan. Almost ten years ago we came from the city in pursuit of our dream to be farmers, to work the land, and enjoy God and country. We're here and even made it to the mere 10 percent of the farmers that don't have a second job to put food on the table.

But today when I put my feet under the table I find many unwanted guests: seed companies and pseudo fertilizer companies that make more money per acre than I do; a milk co-op that represents dairy farmers so well that we get the same price for milk that we did in 1978; and my insurance company, by virtue of having the word "farm" in their name, thinks they represent me. MDA, where do you stand in helping sustain Michigan farmers?

I would assume the promoters of RFID/NAIS have had your attention in regards to the attributes of this program in respect to bovine tuberculosis for the past year or so. That in itself has created for us, with three minute sound bites, an unfair barrier in which to persuade your vote against this program that will, when

implemented, add to the destruction of the Michigan family farm. This is a responsibility you carry in your vote that our grandchildren will live with (yours and mine).

To implement RFID and premises registration and eventually NAIS on the pretense that it cures tuberculosis is truly deceitful. It is a national program with international ambitions.

I have added a list of many of the concerns we have talked about today. I ask you to read them and contemplate the effects of these regulations and the premises registration. You have an awesome job before you and I pray you'll do the right thing.

Thank you for your time.

Byron Latter thanked the Commissioners for their time and offered the following comments: I am not a farmer, just a consumer of farm products. I have a great distrust in the processed food that comes from the big companies. My understanding is that this whole thing is pushed by the companies like Monsanto, Cargill and the National Pork Producers. This is all big business. As I see it here, we got a lot of the local people. As a consumer, as a person who puts this stuff into my body, I like to support the local farmer in Michigan, the small farmer. I like to go to the farmers market. In Flint, the farmers' market is the center of the culture of Flint. When you go to buy stuff at the farmers' market, it's not all local farmers' products, but we get a chance to talk to the people that we're buying from. We like the idea of giving the local, small farmer in Michigan as much support as we can. That's why I'm here because it is a benefit to us to know what we're eating. We just don't know when we buy stuff with MSG and some of these other products that have been proven to be detrimental to the development of babies brains and our health, causing obesity and that kind of thing.

Thank you.

Robert Linck submitted written comments and offered the following comments: Thank you for allowing me to speak to the Commission. I own, along with my son John, a fourth generation farm. We organically produce grains, beans, hay, pasture, cattle and poultry. We keep learning more about NAIS and we are opposed to this program and here's why. In 2002, probably before that, an organization of large agri-business technology companies knows as the National Institute for Animal Agriculture (NIAA) established a task force to create a national identification program. The NIAA included some USDA representative, but no farmers. This task force, however, did develop a slick, well funded, promotional program between the years of 2000-2006. The NIAA's identification program became a USDA program. That program purported to solve all the

nation's problems with animal disease control, food safety, food borne illnesses and bring US animal food safety and health standards up to the level of other developed countries and thus increase our exports. The program was slick and accepted by many of the farm organizations. On April 6, 2006 the US Secretary of Agriculture, Mike Johanns consummated the marriage of NIAA and USDA. This simply confirmed earlier announcements that USDA was declaring that NAIS was now the "law of the land".

What are the benefits? First consider exports: the benefits are zero. USDA's Agricultural Marketing Service already has a complete system of government verification programs and the resources that satisfies the overseas customers for American meat. NAIS simply does not identify or come up to this standard. As for food borne illness, an ear tag means nothing. Recent history has proven that all such contamination occurs in the packing plant. However, there is a purpose for this tag, I think. Dr. Steven Halstead, at this last meeting of your Commission, made a statement saying that "Effective response means tracing contaminated food back to it's source which usually means the farm".

This marriage of government and business, politically defined is Fascism and I beg of you folks to reject or at least put a hold on it until it can be honestly studied.

Gary Blackwell submitted written comments and submitted and following comments: I am a certified organic farmer from Minden City, Michigan. My wife, Janice and I were dairy people for over 20 years. We were very concerned about the health and quality of our food products. These are the food that we consumed and the farm products that were sent off the farm to our city cousins.

We use no chemicals, herbicides, pesticides, antibiotics, hormones, or chemical fertilizers on our farm or with the dairy. Our practices a the time were not value added, but we did what we did because we thought it was the right thing to do. We received no help from MDA whatsoever.

I would like to speak for the children of this state and the ones who are not yet born (since I believe that life begins at conception). The laws you make today will affect the children born, or not yet born, for time to come. For instance, there are people here, paying federal and state income tax that never had a vote on it. I believe that all laws ought to be reviewed every seven years.

I met Kevin Kirk sometime last summer when he gave a meeting on the mandated and voluntary RFID program in Ruth, Michigan. At that time, I asked Mr. Kirk if MDA was operating by law. Kevin said yes, MDA was. I then asked Mr. Kirk, "Where are the implementing regulations and statues?" He tried to put a number to it, but could not. At this time we have not seen the implementing

regulation or statute or cost analysis of the RFID mandatory and voluntary program.

The next time I saw Mr. Kevin Kirk, was at the North Branch School Auditorium, where hundreds of people met to oppose the mandatory and voluntary RFID program. Kevin Kirk said, "You people hate me!" I told him that neither myself nor any other persons hated him. We had a difference on rather RFID was implemented by law, or a mandate by MDA or some other government agency.

Where was the MDA when Iso-plus was introduced into the cattle industry? It was a by product of the Kodak Company. Where was the MDA when the animal fat supplement was introduced to the cattle industry? Where was MDA upon the introduction of Bovine Somatotrin (BST)? This product drove many consumers to try to purchase raw products from their local milk producers. Now the government has passed a law to prevent anyone in Michigan from buying raw milk.

I have found no law that makes this mandatory, state of Michigan, or otherwise and there is no law. If there is a law, I suggest to you that you bring the MDA up here and expressly give us the law and how they are going to implement the \$1,000 fine. This is a terrible thing to do to the people of the state of Michigan.

John Sauve offered the following comments: I will make this brief, really repeating a lot of what people have already said. I am 19 years old and recently become interested in the policies of this country, this will effect my state and how I live in it over the next 20-30 years, how I will end up raising my family when I have one. My pet peeve is the constitutional basis of things. In the founding of our country based on the Declaration of Independence, says all people are endowed with certain unalienable rights. They are given by their creator. All men are created equal. Just wanted to go through that really quick and how to apply that. All men are created equal. One thing about this program here, it does not make equal status for all farmers. You have small farms that are represented here, not big companies. They are the ones pushing this through because it does not effect them as much. It allows them to cut off these smaller farms, that is their agenda. They don't want the competition. They want to get rid of the smaller farmers. This does not give equal rights to all the farmers throughout the state. It eliminates any equality. Secondly, we are endowed with certain unalienable rights among which are life, liberty and the pursuit of happiness. We have no liberty if this is added in. Farmers will be forced against their will to implement this. We have no pursuit of happiness if we are forced to ruin our farms. I'm not a farmer myself, I'm speaking on behalf of others. I'm just a consumer but I'm interested in what is right according to the foundations of our country, constitution of this state and constitution of this country.

What will happen if you do not stop this before March 1. Three things might happen. A large number of farmers will exit the state. A large number of some of your best citizens, of some of the large contributors to the economy of the state will leave the state. Or they can submit to this unjust law and really be ruined which will bring pretty much the same result. They can resist this and you will have legal battle after legal battle and will force an underground movement.

Doreen Scott chose not to speak stating that she had nothing to add that had not already been heard.

Rosanne Ponkowski, representing Health Traditions Network from West Bloomfield, Michigan, made the following comments: We are a local organization of Westin A Price Foundation, located in Washington, DC. We represent the Detroit and Lapeer area. There are over 200 local organizations throughout the world. Our mission is to educate people what real nutrition is and show how the diets of our forefathers, based on whole foods, are much healthier for them and how the diets we eat today in reference to factory farm food and processed foods are killing our health. Once we have made the education to the consumers, we then make the connection between the consumers and local farmers who are growing the nutrient dense foods that we require for good health. I live in West Bloomfield but I purchase about 80 percent of my family's products from local farmers. All my pork and chicken come from a farmer outside of Grand Rapids; my dairy and meat from a farmer along the Indiana border; my eggs come from Mt. Pleasant and all my fruits and vegetables come from a farmer in Yale. As you can figure out, that takes a lot of planning, thinking, time and travel. A deep freezer definitely helps. I point that out to show you the commitment to people in our organization, and I represent hundreds in the Detroit area, that are committed to getting good food for their family. We did it by purchasing our food through the local farmers. What I see here is two sides of the story. On one hand, I see a state that is blessed with incredible farmland. I see a demand for local foods that is growing, documented at 20 percent a year. I see a Governor that has a Commission that brings out a food policy that says if every family in the state of Michigan spent \$10 a week on local foods, it would bring millions of dollars to our much needed state economy. On the other hand, I see an MDA that is squashing the success the local farmers have had in selling their products directly to the consumer. We are talking about small, family farms. You are threatening their privacy, religious freedom and financial success. When they go out of business, that threatens my food supply and that is why I'm very much against this and very upset by this.

James Nichols gave the following comments: I am from Decker, Michigan and I am an organic farmer. I farm approximately 700 acres, organically. What I see going on here is the beginning of the end. For the first thing, this program called National Animal Identification System is a misnomer, it should be named

International Animal Identification System because that's what it is. It is the international "banksters" taking over, identifying all their property as to the cattle, besides people. Besides that once they get to the cattle, what's next, the pigs? Of course there are. Right in Michigan Farm Bureau newsletter last week, the USDA bribed the pork industry councils with \$400,000 of taxpayer money to comply and get registration of the pigs and premises. What's next, the chickens, the goats, everybody that's got anything in their backyards? Pretty soon the outlawing of everything? You can't grow your own chickens, you can't grow your own food? This isn't Fascism, it's pure Communism. It's outlawing of growing good homegrown food. You want to start a revolution, continue. I hope you can use some common sense and stop this thing because I am encouraging, and I've starting doing it, to start studying how to impeach public officials, elected officials that vote against us. We have no other choice because that is the only end means we have. It's not a good idea. Thank you.

Robert Keyworth made the following comments: I was talking to a few guys, making phone calls this week concerning this and I am against it. I talked to a young man whose father is a beef farmer in the TB effected area. They had 50 brood cows fro beef and he said they've been going down steadily since we got into this mess and he said last year my dad sold the bull and we've got 20 cows left. That's it. That's the end of it. He said we're all done. We've go about that many cows and we've provided beef for local people. When this happens, the bull's gone. Thank you.

Joni Nicodemus made the following comments: Ten years ago I was almost decrepit and I have been regaining my health through these nourishing foods. I waited too long for a good glass of milk. Pasteurization destroys all the enzymes, all the nutrients. Homogenization so violently shakes those fat globules, they become small and get in places they are not meant to be. We are the state of Michigan and everything is not as it appears. We do have educators out here who are teaching the people about nourishing their body through real food that is not defunct. Look at the nation of disease that we live in. We, Michigan, are on the cutting edge, we are on the forefront. Our Commissioner in this state of Michigan just a week and a half ago has said they are going to get so restaurants have to disclose the fats they are putting in the food they are cooking for us. That's essential if we want people to live and prosper. People are too sick to do anything. I thank God because I had to pace myself to make it through the day and I'm a high energy person. They radioactive iodined my thyroid gland 30 years ago and in the last seven months I have restored it. I am on no supplementation. They burned out my thyroid glad twice, they didn't get it all and when you give the body the right things, it will restore. I'm telling you the truth I operate on no supplementation for my thyroid gland. The thyroid glad being the most resilient. My kidney had to be restored, the hardest organ to restore is now restored. I was having big problems, I was going down fast. I just

turned 51. I beg that you think of the ramifications for Michigan. There's a way this seems right to a man, but the end of it is death. We don't to drown in our Great Lakes here, we want to prosper. Just because we're down and out right now doesn't mean we'll stay there. We have a great people in this state of Michigan and we will go forth and prosper if we do the right thing for the people of Michigan. We want God to bless us, let's bless our God. We are made in the image of God and there's a real enemy out there trying to destroy us and I'll tell you my husband is going to retire in 1-1/2 years and it won't take much for me to get out of here. I waited too long for good real food. There's just no comparison. I never like the other stuff. I'm so thankful and I beg you to do the right thing for this great people in this great state of Michigan.

Robb Klaty made the following comments: I am here today with my wife and five children. We are from Simple Time Farms in Grand Blanc, Michigan. I want to state my strong opposition to the RFID program and NAIS especially in relation to the state of Michigan's involvement. As a father, producer and consumer, I, like the rest of you have an interest in safe food for my family and community. The solution, however, is not more costly unconstitutional government mandated regulations. To be clear, if livestock producers want to use technology such as RFID to help them manage and market their livestock, I say great. If it's really as great a system as is being advertised, the market will adopt it. But let the market and individual farmers decide that and please don't turn small scale farmers who sell to local markets, and don't need or want such a system, don't turn them into outlaws. Please. You are probably aware, as you have heard articulated so well about this substantial, emerging movement in the U.S. and Michigan driven by health conscience consumers who are obtaining wholesome, safe foods directly from small, local farms. This movement represents a real solution to many problems including the disappearance of family farms, globalization, the environmental problems associated with many factory farms, the lacking nutritional value, and food safety issues related to many factory farms. Why can't the federal, state and local government work to encourage real solutions such as this instead of further burdening and punishing those who are doing it right.

I encourage you all to consider putting a halt to the RFID program and instead work to eliminate barriers that prevent local family farms from getting their fruits, vegetables, meats and raw milk to a public who desperately needs and wants these products.

As an example, and to be very specific, instead of punishing good people like the Hebron family, perhaps the state and its agencies could ask the Hebron's how it could assist in removing barriers so that many more residents can be blessed with healthy, wholesome food that the Hebron's and others like them produce. Thank you for listening and God bless.

Leland Townsend from Ingham County made the following comments: I am a cow/calf, beef operator, 7th generation farmer. I just wanted to enter into the testimony the vote at the American Farm Bureau Federation Convention in Utah a few weeks ago. They voted 85 percent opposed to mandatory ID program. It was a vote of 85 to 15 for just a voluntary program. I'll just enter that in testimony.

William Martin made the following comments: We're not going to talk about food, we're going to talk about law. I made a Freedom of Information request, actually it was a letter I wrote. The Michigan Department of Agriculture construed it as a Freedom of Information request. I got a lot of verbiage, it didn't get law. I got something from 1982 that I didn't think was relevant. Is there a law behind the RFID that everybody has been told is mandatory? According to federal law, silence, (U.S. vs Tweel) can only be construed as fraud, or where a question left unanswered might be intentionally misleading. Food for thought.

Perhaps Michigan is being used as a bell-wether state. Everyone in agriculture knows what a wether is. Are you wethers or are you rams, guys? Sometimes the ladies have to show us the way.

Again, I would request, most respectfully, that if there is law, produce it. Everyone will comply with a bonafide law. However, I suggest that we are suffering from an infliction of policy for a given agenda. Perhaps we don't know exactly what that agenda is, perhaps a lot of people do know. But it won't take long to put the pieces together when people start to follow the money.

These people are here at their own expense, I dare say. Your honorable board, I'm sure are being compensated at tax payers expense.

However, should it be shown that there is no law behind this, it will put the people who are trying to implement this program in a position known at law as ultra vires, thereby putting themselves in a position of personal responsibility and liability. Therefore, I suggest most respectfully, that you put a stop to this madness.

Anhydrous Ammonia Safety and Security Practices (AASSPs) Update: Gina Davis, Deputy Director, Pesticide & Plant Pest Management Division and April Hunt, Agri-Chemical Coordinator, Pesticide & Plant Pest Management Division

Ms. Davis reviewed the legislation and the task charged to the workgroup.

Ms. Hunt updated the Commission on the progress of the workgroup thus far. The workgroup developed seven different practices and felt that having a farmer, dealer, or any end user implement any two (or more if they wished) of those

practices would be appropriate. That way there would be two lines of defense for them to have the practices in place. By having the practices and implementing them, a seller or end user of anhydrous ammonia would have liability protection from a tort law suit that relates to the theft of anhydrous ammonia on the property. They would have the protection so that if the person stealing the anhydrous ammonia was hurt on the property, they would not have the ability to sue the property owner.

During the development of the seven practices, a question was raised by the workgroup regarding the Anhydrous Ammonia Safety and Security Act. Ms. Hunt worked with MDA's representative from the Attorney General's office for an interpretation. There are two practices mentioned in the Act, but that was only a starting point as a reference. The end user could choose any two of the seven practices listed.

She asked the Commission to review the list of practices over the next month and the matter would come back before the Commission at the March meeting for a vote.

Commissioner Coe noted some overlaps in the practices so that when you pick two, you will pick up elements of other practices. Ms. Hunt stated that was intent of the workgroup.

Commissioner Byrum stated he will recuse himself from the vote on this issue when it comes before the Commission in March.

LEGISLATIVE REPORT: Liesl Clark, Legislative Liaison

Ms. Clark will update the Commission on National Association of State Departments of Agriculture (NASDA) 2007 Farm Bill Recommendations at the March meeting as the NASDA meeting had not yet occurred.

She commented briefly about the 2007 Farm Bill. Undersecretary Knight is coming to MSU to speak about the farm bill recommendations they have distributed.

Ms. Clark reviewed the new agriculture committees and noted that a list will be provided to Commissioners.

She reviewed bills that have been introduced and updated the Commission on SB 14, the sugar beet loan extension.

Ms. Clark noted that Sen. Debbie Stabenow will be holding hearings in Michigan on the 2007 Farm Bill and shared information on other related hearings or sessions.

PROPOSED BOVINE TUBERCULOSIS ZONING ORDER: Dr. Steven Halstead, State Veterinarian; Dr. Michael VanderKlok, TB Unit Manager, Jeff Haarer, MDA Hearings Officer

Dr. Halstead stated that the statute that gives MDA the authority to require identification is contained in the Animal Industry Act, 1988 PA 466. Specifically, MCL 287.711b says that "...all cattle, goats, sheep and privately owned cervids shall bear official identification before they leave a premises and compliance with this section regarding official identification is the responsibility of the owner..." In section 9 of the Act (MCL 287.709) we draw the authority to establish the zoning policy we have in place. "The director may develop, implement and enforce scientifically based movement restrictions and a part of those movement restrictions includes official identification of animals for movement between or within zones" which is what this zoning order refers to.

Dr. VanderKlok has been on the road talking about the zoning order which is an important part of the arrangement with USDA for tuberculosis eradication in the state. It allows for lighter and less onerous restrictions on the portions of the state where TB is not a problem and concentrate our efforts more in the problem areas in areas where cattle and the wildlife component makes Michigan unique.

In order to move ahead in the program, it is important to revise the zoning order periodically. Dr. VanderKlok has attended 11 public meetings and three official public hearings for a total of 14 opportunities for people to hear the changes in the zoning provisions and to provide comments.

Dr. VanderKlok reviewed the changes in the zoning order since November 9, 2006. He highlighted the modification that was made to improve the program to respond to some comments and one change that was made from a USDA interpretation received since then.

In some sections, more flexible language was introduced, giving the Director authority to exempt specific individuals from requirements. For example, the new language allows for the flexibility for those in the modified accredited zone to obtain a movement certificate at the Northern Michigan Livestock Sale Yard.

In the modified accredited advanced area, notification has been received from USDA that is now allowable for movement from a modified accredited advanced area to another zone within Michigan if they had a whole herd test within the previous six months, so that language has been removed.

Movement from the modified accredited area has been expanded and clarified. Sexually intact heifers that are six months of age and older need a whole herd test unless they were going through approved feeder channels. Those have

been defined as a Michigan registered terminal operation or USDA approved feedlot.

Jeff Haarer, MDA Hearings Officer, shared the following information. There were 11 public forums held in Sandusky, DeWitt, Petoskey, Atlanta, Bruce Crossing, Stephenson, Dafter, West Branch, Kalamazoo and twice in Clare. In addition, three public hearings were held in Escanaba, Gaylord and Lansing. At each of the public forums, MDA presented background information on the program and went through the proposed zoning order requirements and had time to answer questions. At the public hearings, this information was also presented. The public was invited to speak on the proposed order. Attendees were told that their comments would be summarized for the Director and that anything in writing would be distributed to the Commission in advance.

Approximately 45 people attended the Escanaba hearing and though there were many questions about the program, there were no members of the public who wished to speak on the record. No written material was provided to the hearing officer. At the Gaylord hearing, approximately 45 people attended. Two spoke on the record and asked questions on the implementation of the order relating to the age of cattle that need to be tagged and the Michigan Department of Natural Resources policies and disease control permits. At the Lansing hearing, approximately 20 people attended and most wished to speak on the record. Many of the speakers expressed a belief that mandatory electronic identification for cattle violates their right of religion and their right to privacy. They also said the program is costly, imposes additional labor, does not provide adequate benefits, would interfere with raw milk/cow share programs, and will not effectively address eliminating bovine TB. Several speakers also wished the Director and Commission to know that they feel the livestock industry groups supporting the proposed Order are not representing their membership on this issue. Many of the speakers provided written testimony, and that information was also included in the packets previously sent to you.

In response to a comment made about electronic animal ID eliminating TB, Dr. Halstead stated the electronic ID is just a tool. It's no different than a license plate on a vehicle and made the parallel that the license plate on the vehicle does not have any impact on whether a person speeds or not. It is a device for identifying that vehicle, very much in the way that an ear tag on a cow is a device for identifying the animal. It has no impact on the disease itself, but does provide the resources, the tools, the engineering to be able to track the disease as it moves about. In fact, we have been successful through the use of mandatory electronic identification in the modified accredited zone where it has been mandatory for several years, in that the tuberculosis has not been spread outside of that zone through cattle movement. The device itself can have no impact on

the disease, but it is the use of the device that allows us to have a greater impact on the disease.

Dr. Halstead presented letters of support from the Michigan Cattlemen's Association and the Michigan Veterinary Medical Association specifically for the changes in the zoning order. Additionally, there was a meeting of the TB Advisory Committee the day before the Commission meeting and they also voted to support the changes in the zoning order. Dr. Halstead asked the Commission to support the Department in moving ahead with the change in the zones in Michigan and the zoning order and support the Director's signature on the order.

Director Irwin shared a letter from Elwood Kirkpatrick, President of Michigan Milk Producers Association dated February 2, 2007 that strongly advocating for MDA to immediately seek the Bovine TB Free Zone Designation for the remainder of the state. He submitted the letter for the record.

Commissioner Coe asked if the letters from Michigan Cattlemen's Association, Michigan Veterinary Medical Association and Michigan Milk Producers specifically referred to the electronic identification tag as a necessary tool or mechanism for the TB eradication program. Dr. Halstead responded that the organizations do support the electronic identification program but the letters are specifically in reference to the zoning order. There are letters on record, and they were provided to the Commission at an earlier date, strongly endorsing electronic identification.

No action was taken at this time and support of the proposed changes to the Bovine TB Zoning Order was tabled.

Agriculture Processing Renaissance Zone Designations: Robert Craig, Director, Agriculture Development Division and Mike DiBernardo, Grants Coordinator

Director Irwin noted a memo that Commissioners had previously received containing background information. This Agriculture Processing Renaissance Zone statute was amended, at MDA's request, to provide for the Agriculture Commission's approval on such designations, in addition to the approval of the Michigan Economic Development Corporation, both by statute.

Mr. Craig briefly discussed the South Haven Group's application applying for an Agricultural Processing Renaissance Zone. They are proposing a \$10 million investment over two years and planning to have 75 new full time jobs as part of the proposal. It will be an agricultural processing and cold storage facility in the City of South Haven. The proposed term is for a total of eight years beginning January 1, 2008 to January 1, 2016. He reviewed other specifics of the project including the location and scope of the operation.

Mr. Craig introduced representatives from South Haven Group and the City of South Haven who were in the audience.

Mr. DiBernardo shared observations from a site visit and commented that this project is supported locally and by a number of commodity groups.

In response to a question from Commissioner Coe, Mr. Craig noted that South Haven Group LLC is a Michigan-based company. The group of investors is primarily from Illinois. Mr. DiBernardo commented that this project is competing between South Haven, Michigan and Chicago, Illinois. Chicago has offered 15 acres of free land, but the company wants South Haven as its first choice. Mr. DiBernardo responded to a number of financial questions from Commissioner Coe.

Once the Commissioner of Agriculture approves a resolution, it will go to the MEDC, who will combine it with their resolution with the Michigan Strategic Fund at the end of February. That combined resolution would then go to the State Administrative Board for final approval.

Commissioner Coe asked if there were similar private sector facilities already existing within a 25 mile radius of this proposed project. Mr. Craig stated that the closest facility would be in Peterson Farms in Oceana County. Other facilities have cold storage only.

Director Irwin reviewed some procedural issues as this is the first project moving through this new process. He also discussed the good match of public and the private sector community working together to create additional jobs. It speaks well of the future of the fruit and vegetable industry in Michigan. He voiced his full endorsement and support to this project.

Commissioner Byrum commented this is the first of this type of project through an agriculture renaissance zone and it makes sense to enhance the processing world. That was a recommendation of the Food Policy Council.

MOTION: COMMISSIONER COE MOVED TO APPROVE THE PROPOSED RESOLUTION FOR THE AGRICULTURE PROCESSING RENAISSANCE ZONE FOR SOUTH HAVEN GROUP LLC. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

Director Irwin noted there will be an update at the March Commission meeting of the result of the MEDC's action and development agreement that will be executed between parties.

COMMISSIONERS' ISSUES

Commissioner Coe discussed concerns he has about the planning of the Governors' conference this July in Traverse City. He noted that Michigan produces a number of food products and wines that should be showcased at the conference.

The Michigan Grape & Wine Industry Council has indicated they would provide some funding for the exposure of Michigan wines. He is confident the wine industry would come forth. There may be other commodity groups that would be interested. He suggested a working group and volunteered to represent the local area on the group.

Director Irwin stated the idea is a good one and shared that he had met with various representatives of the Governor's office about showcasing Michigan products and reviewed the draft agenda. A workgroup will be pulled together to brainstorm ways to promote Michigan products they may include gifts bags, a media hospitality event, as well as three public events the Governor has input and control over.

Commissioner Coe has also been working with Whitewater Township in Grand Traverse County over ordinances they are about to adopt that will run counter to much of the work done by the Agriculture Tourism Commission. He appeared before the township zoning commission last month. They are moving the new ordinances forward. The primary concern is an absolute prohibition on any off premise signage for farmers and their farm operations. He is not able to attend the next meeting of the Township Board and need to have someone to continue the dialogue in the presentation to the Township Board asking them to consider the recommendations of the Agriculture Tourism Commission. Commissioners Jousma-Miller and Coe will discuss next steps.

Commissioner Byrum noted several other conferences coming to Michigan this summer and suggested there are a lot of private sector activities that will be going on and might be able to connect with them.

12:23 p.m. RECESS

1:40 p.m. RECONVENE

Commissioner Byrum stated that he was amending the agenda to again consider the Bovine Tuberculosis Zoning Order. He opened the floor to Public Comment.

PUBLIC COMMENT

Wayne Wood, Michigan Farm Bureau, stated as their letter reflects, we are concerned about the financial burden of the zoning order and wonder if the

movement certificates are ready to go. We want to get this going. Several groups worked to get the UP to a free status and we need to continue that work. We have been promised that we can get the bulk of the Lower Peninsula in a free status state if we can meet these orders. We would like to move on this as fast as possible.

In response to a question from Commission Jousma-Miller regarding the zoning order, RFID and the permits to move, Mr. Wood stated the Michigan Farm Bureau is in support of all three issues. He had just come from a meeting with their Livestock Advisory Committee. There were 50 people in the room and he asked specifically if anyone wanted to see the March 1 date delayed. Everyone said no. They were from all over the state and all livestock species. The aquaculture representative was neutral.

Commissioner Coe stated that he is hearing that if this had come to any kind of a general vote of the membership of the Farm Bureau that it universally or a large proportion of the members would be opposed to both RFID tagging and everything that arises from that. He stated that he understands their process is very thorough on obtaining a consensus of the membership, but he is hearing that it hasn't been discussed and there has been no opportunity for input.

Mr. Wood has challenged that and has spoken with many of these folks on the process. This has been an issue for policy development for two years. It is not a new issue. It has been discussed on the delegate floor with livestock and other production areas who indicate that we find ourselves in this position with TB and we need to move away from that. We need to position ourselves to capture some markets that we think are going to be available by traceability. For that reason, I can tell you that the 430 delegates representing every county in the state passed it unanimously, two years in a row. There was much discussion, but not many questions.

Every member gets a notice of the county annual meetings. Whether they show up or not is a personal decision. We urge them to show up. In some counties they are told ahead of time what they will be voting on. He disputes the fact that they didn't have the opportunity. They didn't take the opportunity.

Commissioner Coe stated that the issue is complicated by the American Farm Bureau has moved toward voluntary rather than mandatory. It comes down to the unique, distinctive position that Michigan is in regarding TB status.

In response to a question from Commissioner Coe about the Farm Bureau members' understanding of the mandatory requirements to help the TB issue, Mr. Wood saluted both the Commission and the Farm Bureau members for

looking at this issue on a science based approach rather than a political approach.

Commissioner Coe stated that the TB status is the core issue and asked if there was anything more that the Farm Bureau might do to educate its members as the importance of the RFID tagging system to bring science to the table rather than emotion. Mr. Wood stated that MDA and DNR have been accessible to their members to address the TB issue and their have been bus tours in the core area. The pressure is coming from areas outside of the area that has using RFID. Those in the affected area understand that is what is needed in order to have a market.

Ron Nelson, representing Michigan Milk Producers Association (MMPA), stated that MMPA absolutely supports animal ID. Additionally, while they support the proposed zoning order, they were not overly enthusiastic about the additional testing in the modified accredited advanced zone. However, they understand that may be a USDA dictate which the state must follow. MMPA, with that one concern, does support the proposed bovine TB zoning order.

Rhonda Thackert provide the following comments: I just came up here today because I had been hearing a lot about the animal identification and my concern was basically out rights slowly being taken away. I've been into natural food for over 25-30 years and I'm slowly but surely seen a lot happening. I have chickens and I know that with bird flu it's just going to be a matter of time and it's going to be TB for the cows and then bird flu and you'll be tagging my eight chickens and I'll be paying \$200 a piece for that and making a choice whether I want to keep them. But really what has stressed me is that I would not be a member of the Michigan Farm Bureau. They do not represent me. They represent agri-business. That is what you are hearing. The same with the Michigan Milk Producers. They take the small farmers and one, whether it be Hebron with his milk, or whether it be the family that's out in the east coast that had goats or sheep that was taken away and murdered in the name of touching the profits of these mega businesses. It's just beside me. Where were you this morning to make your comments that they come in after lunch. And I wanted to sit here and see who it was that made such an impact on my life and my food and family and our children and the futures of the children. I'm just sickened by this. We just want to eat our food. This could be voluntary. I don't think the USDA is going to be making this mandatory. I heard that it was going to be voluntary. You could do it too. It affects your children and your grandchildren. Do you have clue really what is going on? I'm a small manufacturing business owner. We employee 55 people, we manufacture products that we ship around the world. This is just my passion in life is food and educating people on food. I understand from a small business ownership to a small individual who just want to eat the foods and the right foods that are for her and her family. I wanted to see who it was, the faces

that make the impact that just changed my life on a daily basis. I've seen it across the board with the food labeling act that was put into effect in the name of something else. I know where you're coming from and I know the situation that you're in, but I don't know how you can sleep at night knowing that you are going to put small farmers out of business. Organic farmers are different than your agri-business. If they had TB on their farms, I guarantee you, I would put my life on the stake, that they would end up doing something about it. They love their animals, they're not going to pen them up. They try to give them an opportunity to live their short life in a humane manner. It's a life style, it's not for the money. That's what the rest of it has come down to. I'm opposed to it and I hope that you would consider at least making it voluntary and those that want to can do it and hopefully all the agri farms will end up doing it because that's where the disease is coming from. It's not coming from your small farmers.

Commissioner Jousma-Miller thanked Ms. Thackert for her input. She stated the Commission has battled this issue for a very long time. She acknowledged that those individuals that had attended the meeting in January and February have felt the impact, but probably not to the extent of the people in the effected area who have watched their animals be destroyed over a disease that they have had little or no control over. She stated that we have been admonished by USDA to stand our ground and eradicate this disease. Whether a zoning order will eradicate a disease, whether a moving permit will eradicate a disease or whether a tag in the ear will eradicate a disease is not the question. The question is if the USDA says the Michigan will comply, it has made this an extremely difficult position for each of the Commissioners.

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO AUTHORIZE THE DIRECTOR OF THE MICHIGAN DEPARTMENT OF AGRICULTURE PLACE INTO EFFECT, THE BOVINE TUBERCULOSIS ZONING ORDER AS REVISED AND PRESENTED ON FEBRUARY 6, 2007 TO BE EFFECTIVE AS OF MARCH 1, 2007. COMMISSIONER COE SECONDED. MOTION CARRIED UNANIMOUSLY.

BUDGET UPDATE: David Bruce, Director, Finance and Administrative Services Division and Amy Epkey, Department Budget Officer, Finance and Administrative Services Division

Mr. Bruce presented PowerPoint with a historical view of MDA's budget over the last several years. He reviewed background information back to 1999 that brought Michigan to its current financial status.

Information presented included cumulative General Fund/General Purpose (GF/GP) reductions, a comparison of general fund support and increase in restricted revenue and funding history compared with inflation from FY96 – FY07.

Ms. Epkey gave a recap of the 2007 budget including a breakdown of the various funding sources supporting the budget. Other categories included 2007 gross funding, 2007 GF/GP funding, and a comparison of MDA/MDNR/MDEQ budgets.

Mr. Bruce then reviewed nine Executive Directives issued by Governor Granholm that pertain to restrictions on spending that have been place on state agencies for the remainder of the fiscal year. He noted that MDA keeps track of monthly expenditures in each of the affected areas and will continue to monitor them as MDA is accountable to the Department of Management and Budget. He briefly compared spending information from fiscal year end '05 through fiscal year end '06. MDA had a decrease of 19.5 percent, of that, 24.5 percent of that was in general fund dollars. So far is fiscal year '07, there is a similar trend.

He reviewed the 2007 appropriates budget by larger spending categories according to MDA's priorities.

Director Irwin noted the 2008 budget would be presented later in the week by Governor Granholm. Reductions are anticipated and the job ahead will be to continue to focus on the Commission's priorities within limited resources.

He thanked Mr. Bruce and Ms. Epkey for their management capabilities.

POLICY PRIORITIES WORKSHOP: Mitch Irwin, Director, Michigan Department of Agriculture and Phyllis Mellon, Chief Deputy Director, Michigan Department of Agriculture

Director Irwin presented a PowerPoint regarding Michigan's Agriculture Industry. This presentation is used when meeting with stakeholder groups and members of the legislature. The topics include Michigan dynamic agriculture industry in terms of dollars; the diversity of Michigan agriculture in terms commodities produced and exports; preserving Michigan's rich agricultural heritage; MDA mission to protect, promote and preserve; protecting Michigan consumers by enhancing food safety an security, protecting animal and plant health and safeguarding consumer pocketbooks; promoting Michigan products by expanding domestic markets, supporting agricultural innovation and spurring renewable energy development; preserving farmland and resources by encouraging environmentally-sound practices and conserving resources; focusing on the future with the Buy Michigan program, bio-economy and bio-security; and funding agriculture and funding sources.

Mr. Irwin then reviewed a draft document regarding MDA's mission priorities and discussed programs that fall into three different categories: Protect, Promote and Preserve. Under Protect, he discussed the Bio-Security Gateway, Electronic Animal ID, TB Free Status and Biodiesel Standards and Inspection. Under Promote, he discussed the Bio-Economy (including bio-fuels, the Renewable

Fuels Commission, Bio-energy and digesters, and bio-products), Buy Michigan (including preferred purchasing, Select Michigan and expanding international markets) and Fostering Entrepreneurial Innovation (including agri-tourism).

Legislative issues under Protect involved the food law, dairy law and feral swine. Issues under Promote included Agriculture Renaissance Zones, Julian Stille Program, Michigan Food Policy Council and a bio package. Issues under Preserve included PA 116 lien incentives and the Michigan Agriculture Environmental Assurance Program (MAEAP) and Concentrated Animal Feeding Operations (CAFOs). Also the Federal Farm Bill is being discussed.

Regarding the budget and fiscal impact, Dr. Mellon discussed looking at what needs to be done to realign resources to be customer focused and result driven and aligned with our priorities. She noted that we need to look at our business and think tactically about what will be required to achieve our goals. We must look at the customers we serve and also have a realistic expectation about what we can successfully accomplish.

She said MDA will be looking at ways to reduce some administrative functions by partnering with other agencies and saving positions to delivery more programs. We have been keeping vacancies open anticipating the budget situation and maintaining some flexibility to be able to fill the positions in a manner most consistent with our priorities.

She noted that MDA will be looking at process and ways to do things more efficiently. Director Irwin will be asking staff for input and suggestions for ways to improve business strategies and the department structure will be reviewed to make sure it is aligned with the priorities.

The goal is to enhance the capacity of MDA to effectively carry out the priorities of 2007 while adapting to the realities of the fiscal constraints.

In response to a question from Commission Coe, there was a discussion about the budget process and ways to obtain additional funding from other sources. Additionally, there was discussion regarding program cuts, priority funding, staffing issues and unfunded mandates. Priorities identified included were food safety, environmental issues, consumer protection, industry advocacy, administration.

In response to a question from Commission Byrum, Liesl Clark commented briefly about a review of fees that is ongoing. Those include pesticide applicator fees, pet shop license fees, livestock operation license fees, horse riding stable license fees, nursery stock license fees. Laboratory testing fees are also being reviewed. A list of fees being reviewed will be sent to the Commissioners.

COMMISSIONER COMMENTS

Commissioner Coe noted that in relations to the animal identification issue and the public comments period that have been held during Commission meetings and throughout the state that staff has done a good job in forwarding all comments to the Commissioner for review. While the Commissioners have not responded to the comments heard and read, they have listened, appreciated and respect the input from those who have taken the time to comment both in person and in writing.

Commissioner Byrum noted that we may disagree on a particular issue, but all have the same ultimate objective and mutual respect is appreciated.

ADJOURN

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO ADJOURN THE MEETING. COMMISSIONER COE SECONDED. MOTION CARRIED UNANIMOUSLY.

The meeting was adjourned at 11:35 a.m.

Attachments:

- A – Agenda
- B – Agriculture Commission Meeting Minutes January 8, 2007
- C – Revised 2007 Commission of Agriculture Meeting Schedule
- D – Michigan Commission of Agriculture Policies Annual Review
- E – Director’s Report
- F – Michigan RFID Education Task Force Activities and Impacts – 2006-07 and document entitled ID Iceberg
- G – Written Testimony Received through Public Comment from: Lisa R. Imerman, Doug & Vicki Meiberg, Ed Zimba, Andrew Schneider, Larry Phinney, Harley Thomas, Robert Linck, Gary Blackwell, Gene Momont, Derek and Lynette Prentice, William Spencer, Vickie Kreis, Robb Klaty, Deanne Wood, John Blehm, Mathilde Vandenbulke, Kim Lockard, Joanne and Grant Robison, and Nancy and Paul Keiser
- H – Memo dated January 30, 2007, from Gina Davis to the Agriculture Division regarding Anhydrous Ammonia Safety and Security Practices (AASSPs); and a document entitled Anhydrous Ammonia Safety and Security Practices (AASSPs)
- I – Legislative Status and Copy of slides from a PowerPoint entitled 2007 Farm Bill Proposals
- J – Proposed Bovine Tuberculosis Zoning Order updated January 29, 2007; Memo dated January 30, 2007 from Brad Deacon to Commission of Agriculture and Mitch Irwin, regarding Public Hearings for Director’s Zoning Order for the Bovine Tuberculosis Eradication Project; document entitled Bovine Tuberculosis – Proposed Director’s Order (Issued November 9, 2006) Public Hearing and Comment Report dated February 5, 2007; written comments received from Brenda Golombieski, Lee and Linda Purdy, Richard Rohrbeck, Ronald Tobey, Dennis Lasceski, Lisa R. Imerman, Gary Blackwell, Tonia Ritter (Michigan Farm Bureau), Karlene Beylea (Michigan Veterinary Medical Association), Andy Salinas (Michigan Cattlemen’s Association), Daniel and Lorina Stutzman, Joe Miller, John Troyer and Tom Tucker, and Elwood Kirkpatrick, Michigan Milk Producers Association
- K – Memo dated February 6, 2007 from Mitch Irwin to Michigan Commission of Agriculture Members regarding Agricultural Processing Renaissance Zone Request by the South Haven Group and Proposal for Creating an Agricultural Processing Renaissance Zone (APRZ) for The South Haven Group
- L – Michigan Department of Agriculture Budget Overview February 2007
- M – Copies of slides from a PowerPoint presentation entitled Draft Michigan’s Agriculture Industry February 2007; and document entitled Draft MDA Mission