

**State of Michigan  
Michigan Department of Agriculture  
Commission of Agriculture**

**Best Western Pioneer Inn**

**2635 Ludington Street, Escanaba, Michigan**

**Meeting Minutes**

**August 20-21, 1998**

**PRESENT:**

Douglas E. Darling, Chairperson, Commission of Agriculture

Deanna Stamp, Vice Chairperson, Commission of Agriculture

Jordan B. Tatter, Secretary, Commission of Agriculture

Shirley A. Skogman, Commission of Agriculture

James E. Maitland, Commission of Agriculture

Dan Wyant, Director, Michigan Department of Agriculture

**OTHERS PRESENT:**

Ron Zellar, Assistant Attorney General

Brad Deacon, Governor Engler's Office

Michigan Department of Agriculture Staff

Joseph McDonnell, Manager, Upper Peninsula State Fair

Joanne Stefl, Upper Peninsula State Fair

Kevin Small, Curran, Michigan

John Molesworth, MSU Extension, Alpena, Michigan

Kelly Stephens, Bays de Noc Convention & Visitors Bureau

David A. Blomquist, Bays de Noc Convention & Visitors Bureau

Ron Nelson, Michigan Farm Bureau

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**CALL TO ORDER AND ROLL CALL**

Chairman Darling called the meeting to order at 3:07 p.m., August 20, 1998. Secretary Tatter called the roll with Director Wyant and all Commissioners present.

## **APPROVAL OF MINUTES**

**MOTION: Commissioner Skogman moved to approve the July 7-8, 1998, minutes as presented. Seconded. Motion carried unanimously.**

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## **APPROVAL OF AGENDA**

**MOTION: Chairman Darling moved that the Commissioner's Comments be given following the Legislative Report. Seconded. Motion carried unanimously, agenda approved.**

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## **NEXT MEETING**

**The next Commission of Agriculture meeting will be held on Wednesday, September 9, 1998, in Lansing, Michigan. The meeting will be held in the Dean Pridgeon Conference Room, 4<sup>th</sup> Floor, Ottawa Building, 611 West Ottawa Street, Lansing, Michigan.**

## **APPROVAL OF DIRECTOR'S OUT OF STATE TRAVEL**

**MOTION: Commissioner Skogman moved to approve Director Wyant's travel on August 31, 1998, to visit the National Veterinary Services Laboratory in Ames, Iowa; on September 15, 1998, to meet with Michigan's Congressional delegation in Washington, D.C., and on September 26-29, 1998, to attend a meeting of the National Association of State Departments of Agriculture in Charleston, South Carolina. Seconded. Motion carried unanimously.**

## **APPROVAL OF COMMISSIONERS' TRAVEL**

**MOTION: Commissioner Stamp moved to approve Commissioner Darling's travel on July 28, 1998, to attend the National Envirothon Competition in East Lansing, Michigan, and Commissioner Skogman's travel on August 14, 1998, to attend the Michigan Association of Fairs and Exhibition's President's Luncheon in Marquette, Michigan. Seconded. Motion carried unanimously.**

## **WELCOMING REMARKS AND INTRODUCTIONS - Joseph McDonnell, Manager, Upper Peninsula State Fair**

Director Wyant introduced Joseph McDonnell, Manager of the Upper Peninsula State Fair.

Mr. McDonnell welcomed the Commission on behalf of the Upper Peninsula State Fair Board to the 1998 Upper Peninsula State Fair. He commented that there is a lot of pride that goes into the fair, not only by those directly involved in its organizational efforts, but also by the residents of the Upper Peninsula. It has been a successful fair, with attendance to date about 14 percent higher than last year.

He also introduced Upper Peninsula State Fair Board members Joanne Stefl, Dick Breyer and John Kronemeyer. Bill Pesola and Steve Palosaari were unable to attend today's meeting.

## **DIRECTOR'S REPORT – Dan Wyant**

**Livestock Processing:** The announcements of Bil-Mar to stop processing live turkeys, Thornapple Valley to stop processing live hogs and Murco, Inc., to be sold to Packerland has created some anxiety in the agricultural community. These three situations are separate and distinct corporate decisions made independent of local economic conditions. MDA is actively involved in all three situations.

Thornapple Valley had been processing 75 to 80 percent of Michigan's hogs. With the closing of this facility, Michigan hogs can be transported to two processing facilities in northern Indiana. The Michigan Pork Alliance will be hosting a series of meetings to talk about developing a partnership with another processing operation.

The Michigan's Turkey Processing Task Force has been meeting to address the Bil-Mar situation. There is preliminary discussion among some of the larger turkey growers about buying and operating a processing facility. Some growers have transitioned out of the turkey business into beef and pork production.

Packerland Packing Company, who has taken over the operation of Murco, Inc., has an option to purchase that facility and is currently going through the analysis process. MDA has facilitated meetings with the Michigan Jobs Commission and Michigan Department of Environmental Quality to address job training, community block grant opportunities and wastewater treatment systems. Packerland is the fifth largest meat packer in the country.

**Disaster Update:** David Charney, Emergency Management Coordinator, distributed copies of maps and data pertaining to the 1998 disaster status in Michigan. There were six disaster events summarized in the materials.

Commissioner Darling stated that there has been an outbreak of fireblight in apples due to the May 31, 1998, windstorm in central Michigan. Commissioner Darling asked if fireblight would qualify under the disaster situation.

Mr. Charney responded that the issue of fireblight in apple trees is currently under review by USDA as to whether or not it is a reimbursable loss. USDA has a consistent history that fireblight does not qualify. However, due to the extent of damage in this particular case, USDA has been asked to review its position in this matter.

**Agriculture Economics:** Director Wyant commented that the weather in Michigan coupled with generally broad-based commodity price declines, compared to the last two years, reinforce the challenges facing Michigan agriculture today. In North and South Dakota, sources predict upward of 30 percent of their farmers are transitioning out of farming this year alone. In many parts of the country, the agriculture economics issue has risen to a high priority.

Congress has made this a priority issue and will be debating federal policies that relate to the federal farm bill. Michigan will be asked to respond. Director Wyant had a recent opportunity to visit with Congressman Nick Smith who stated that he would be polling the agriculture leadership to obtain opinions and comments on the direction Michigan should be heading. There are a couple of different debated directions. One is export promotion enhancement by lowering regulatory burdens and reducing the cost of doing business, and secondly, the reestablishment of traditional farm programs.

## **Project GREEN:**

Director Wyant stated that Project GREEN is a Governor-supported, legislatively endorsed \$5 million investment to assure that there is technology and on-farm technical assistance for Michigan plant agriculture. The three major focuses and emerging issues are pesticide use, value-added opportunities and food safety. MSU, working with MDA, has the difficult charge of prioritizing and distributing the funds. Dr. Larry Olsen of MSU will be asked to appear at the Commission of Agriculture meeting on September 9, 1998, to discuss how these resources will be used.

Keith Creagh, MDA Deputy Director, commented that there is a lot of energy and enthusiasm at MSU about Project GREEN. There is \$1 million in the supplemental bill and the department is in the process of transferring those funds to MSU. There also will be \$4 million available on October 1, 1998. Subsequent year budget assumptions are based on the \$4 million annual appropriation.

He also explained that the Project GREEN Plant Coalition is comprised of 22 advisory members. Those members are Gale Arent, Maggie Bethel, Gus de Zoeten, Boyd Ellis, Jim Flore, Ed Grafius, Vincent Hegarty, Dan Keathley, Ken Keegstra, Wayne Loescher, Arlen Leholm, Larry Olsen, Chris Vanderpool, Mark Whalon, Ian Gray, Bob Boehm, Phil Korson, Ben Kudwa, Keith Muxlow, Jan Bokemier, Laurie Koelling and Keith Creagh. The Plant Coalition's purpose is to determine broad priorities and to make recommendations in expenditures.

MSU is recommending that personnel dollars be limited to 25 percent of the budget leaving 75 percent for program dollars. The 75 percent program dollars would provide the opportunity to respond to any emergency and crisis situations.

There also is a director's action team made up of Dr. Larry Olsen, Dr. Jim Flore, Gale Arent and Keith Creagh. This team will provide input on the director's discretionary fund disbursement.

Currently there is extensive discussion relative to the GREEN budget. There have already been issues identified and concerns brought forth. There will be a number of opportunities for individuals to have their concerns addressed, either through the appropriate MSU department chair, to a Plant Coalition member, to Bob Boehm of the Michigan Farm Bureau, to any of the commodity executives or to Director Wyant.

The Plant Coalition meets on a monthly basis and the Director's Action Team meets on a biweekly basis.

Director Wyant informed the Commission that he would invite individuals from the Plant Coalition to come before the Commission to present its proposed plan.

**Farm Labor Status Report:** Director Wyant distributed copies of a narrative prepared by Marvin Johansen, Manager of the Field Operations Section, regarding the July 8, 1998, Farm Labor Discussion. The narrative outlined the factors presented at the July 8, 1998, meeting, what has been done to date, what can be done now and the services currently provided.

Commissioner Skogman commented that although she appreciates the discussion at the July meeting and is committed to the issue, it should be noted that the farm labor problem is different in the Upper Peninsula. Farmers in the Upper Peninsula have a limited time to get crops in from the field and it is difficult to keep workers all summer long. It is also very difficult because labor can work at McDonalds or at a paper mill for higher wages and better benefits. Farmers just cannot compete.

Commissioner Darling agreed that Michigan's robust economy in the last few years has affected ag labor forces because there are many other opportunities for employment.

Commissioner Tatter referred to Mr. Johansen's memorandum and narrative regarding the Michigan Jobs Commission consideration of whether the Employment Services Administration or Economic Development office should take the lead. Commissioner Tatter encouraged Director Wyant to get the Michigan Jobs Commission to make this decision quickly.

Director Wyant asked the Commission to review the narrative and to inform him of any comments and/or concerns. The issue will be discussed at the September meeting.

**Farmland Preservation:** There is still continued debate on farmland preservation. There have been some successes such as the Brownfields Act, Right to Farm Law, PA 116 amendments and the Clean Michigan Initiative that will be on the ballot this fall. Governor Engler also supports the creation of a Farmland Preservation Trust Fund, although the question of how it would be funded has not been determined. There is support by the Legislature to have the Governor appoint a five-member board, comprised of two members from agriculture, two from natural resources and one public member. The charge of the board would be to identify

funding alternatives. Governor Engler is also interested in putting in a place a statute that would prohibit raising the assessment when properties are transferred from one generation to the next within a family. Senator Bill Schuette's ag security zone legislation is also something that Director Wyant would like to discuss at the next Commission meeting.

Commissioner Darling distributed copies of the Michigan Commission of Agriculture's Policies. He stated that over a year ago most of the policies were reviewed and adopted; however, the policy on farmland preservation still needs to be adopted. He asked that Commissioners review the policy and be prepared to take action at the September meeting.

**Horse Racing:** There are four possible sites being considered (Muskegon, Mt. Pleasant, Michigan State Fair, Hazel Park).

There also is preliminary discussion about moving the Office of Racing Commissioner to the State Gaming Commission, headed by Nelson Westrin.

### **Upcoming Events:**

- August 24, 1998: Family Fun Night and "The Big Stove" Unveiling at the Michigan State Fair.
- August 25, 1998: Opening Ceremony (10:00 a.m. – 12:00 Noon) of the 150<sup>th</sup> Michigan State Fair.
- August 27, 1998: Senator George McManus is hosting a discussion on FQPA. This is a Senate Hearing that will be held during Beet and Bean Day in Saginaw at the Beet and Bean Research Facility. Commissioner Darling will be attending.
- August 28, 1998: Governor's Day at the Michigan State Fair.
- September 9, 1998: Dr. Joan Arnoldi, Associate Administrator from USDA will be visiting Michigan to discuss the bovine tuberculosis situation.

Commissioner Tatter asked if Dr. Arnoldi could be invited to attend the September 9 Commission meeting for introduction and possible comment.

- September 3, 1998: Value-Added Conference, Radisson Hotel in Lansing.
- County Farm Bureau Meetings: Commissioners are invited to attend as many of the meetings as possible.

### **TB Update:**

Director Wyant expressed his appreciation to Dr. Michael Chaddock for his efforts and devotion to Michigan's tuberculosis situation. Dr. Chaddock has been traveling extensively to other states to discuss Michigan's situation.

Dr. Chaddock distributed copies of the proposed Michigan Department of Agriculture, Animal Industry Division, Quarantine Order No. 1998-02. He reported that he has visited seven states (Ohio, Indiana, Illinois, Minnesota, Iowa, North Dakota and Texas). All of the states are aware of Michigan's situation and commended us on our efforts to date, especially on the testing which is above and beyond any testing required by USDA. The purpose and goal in visiting other states is threefold: 1) to inform and update them about Michigan's situation; 2) to seek their guidance and expertise about the situation; and 3) to see if they would recognize a regionalization concept. Dr. Chaddock said that in the majority of the visits the regionalization concept has been somewhat well-received. However, Texas and Minnesota have indicated that they would not accept it. The universal question asked is "how is Michigan going to assure that cattle have not been moved out of that area and into other parts of Michigan?" These states do like some of the requirements outlined in the proposed quarantine. They are asking how the requirements will be enforced. Dr. Chaddock indicated that there are discussions being held with the Motor Carrier Section of the Michigan State Police, as well as others charged with enforcement. Dr. Chaddock does have letters from Missouri, California and New York indicating that they support regionalization. The states of Virginia and Wisconsin have both indicated that they will require testing of Michigan cattle prior to shipping to their states.

Dr. Chaddock said that as of August 19, 1998, MDA has tested 343 herds, 11,738 cattle and goats. The

estimate is that there are approximately 20,000 animals in the TB area. MDA has completed the testing of those animals within a five-mile radius of where TB positive deer have been found to date. The Michigan Department of Natural Resources (DNR) has identified 149 positive deer to date and in the fall will begin additional hunting season surveillance. Dr. Chaddock is optimistic that the goal of completing all testing by April 1999 can be reached.

He reported that on August 13, 1998, Michigan did officially receive its suspended status from USDA, which was expected. Dr. Chaddock has notified all other state veterinarians and included a copy of the Federal Register. He also asked them to notify him if changes are made in any of their requirements as he would like to visit with them before any final decision is made.

Commissioner Tatter asked about the process as to how Michigan could be taken off suspension by USDA.

Dr. Chaddock responded that first of all Michigan needs to depopulate the infected herd. Secondly, Michigan would have to do all trace forwards and trace backs from that herd. This is currently being done and from that trace back, eight herds have been tested, one of those herds located in Jackson County was put under quarantine. Dr. Chaddock noted that the trace backs completed in 1993 involved 8,000 head of cattle and took nine months. He explained that once all the trace back work has been completed and if no evidence of the infection has been found, then USDA would be requested to remove the suspended part of our status. However, if during the trace back testing any infection were found, Michigan would totally lose its TB free status.

Director Wyant and Dr. Chaddock will be meeting with USDA in September to discuss regionalization. Michigan needs to reassure USDA that it does not have infection occurring in other parts of the state and the infection has been contained.

Dr. Chaddock reviewed the proposed Quarantine Order No. 1998-02 that addresses the testing requirements for tuberculosis for cattle, goats and captive cervidae. The order pertains to the defined area within I-75 on the west and M-55 on the south, Lake Huron and the Straits of Mackinac on the east and the north. In summary what the order does is to require cattle, goats or captive cervidae to be individually tested prior to movement or come from an accredited herd. It also requires cattle, goats or captive cervidae that will be exhibited at fairs or any other show or exposition within the defined area to have a negative individual test or come from an accredited herd. These requirements call for testing within 60 days of any movement which is a generally accepted time frame throughout the country for tuberculosis testing. Many of the requirements cited in the order are taken directly from the Animal Industry Act.

Commissioner Tatter asked if the department could legally impose a statewide deer feeding ban.

Director Wyant responded that legally the department could not impose a statewide feeding ban, but such a ban could be statutorily created by the Legislature. He added that the order is a step toward managing a very serious situation. It is an effort to demonstrate to others that Michigan can and will manage the situation. It is recognized, however, that this order will have an impact on the producers in the area. MDA does not take that lightly. It is critical that Michigan demonstrates to the rest of the world that it is safe to move animals out of that area. All of our efforts will not be successful without the help of our DNR partners and Michigan's sportsmen community. It is imperative that we work together to help, what science has indicated is an absolutely necessary component to this equation, to bringing deer numbers down.

Commissioner Stamp asked about the use of special permits in that area and also the depopulation of the captive deer herd.

Director Wyant responded that he would get the updated numbers on special permits for the Commission. He added, however, that some of the farmers are reluctant to use the permits because of the peer pressure in some areas. It has been difficult for the farmers because of the lack of community support. This is why there needs to be adequate education and a positive public relations effort in place for the area. DNR has and is continuing to work on communication strategies.

There is a two-year depopulation strategy in place to eliminate the captive herd and the majority of those animals should be eliminated by this fall. Dr. Chaddock's staff has been working with the Wildlife Services of

USDA and the owner of the captive farm to construct fencing that will divide the area into smaller units, allowing for a more successful hunt.

Commissioner Maitland asked about the time frame for establishing the quarantine order and why the department is waiting until September 9, 1998.

Dr. Chaddock responded that the Director has the authority to impose quarantine at any time. However, the date of September 9, 1998, is being used because that is the date of the next Commission meeting and will allow the Commission time to review the quarantine, as well as receive other comments.

Director Wyant added that the department has always tried to allow time to receive reaction from the community, industry and interest groups in these instances. The proposal of a quarantine order came together rather quickly because of Michigan's change in status, the requirements of the other states, and the need for MDA to have a successful meeting in Washington, D.C., on September 15, to argue for a regionalization plan. In addition, Director Wyant feels that it is the right thing to do. County fair participation in that area has dropped dramatically because people did not want to bring their cattle into that situation. People outside of the area are questioning whether they will purchase or utilize any cattle from that area. The perception is sometimes worse than the reality and we have to do to whatever we can to overcome that perception.

Commissioner Tatter asked if it was a risk worth taking since the proposed order may accelerate some shipping.

Dr. Chaddock agreed, but hopes that it would not since most people recognize that it is the right thing to have cattle tested.

Commissioner Darling asked if the department has already met with any industry representatives about the proposed order.

Dr. Chaddock has met with the Michigan Livestock Exchange and the Independent Livestock Dealers Association. Both have indicated that the order will be difficult to implement since there are sales coming up in the fall. However, they did understand the need for the quarantine and the importance of having cattle tested before the sales. They also agree that it shows to other states our integrity and that Michigan is serious about the situation. They are generally supportive and will work with MDA.

Dr. Chaddock added that while meeting with some veterinarians in Chatham, Michigan last week there was discussion about the timing of the order. There is concern about getting things done in a short period of time, especially by the fall sales. However, they did understand why it is necessary.

Commissioner Maitland asked if the department would be holding any public hearings in the quarantined area to discuss the quarantine.

Director Wyant responded that the department would have discussions with producers in that area.

Dr. Chaddock added that after today's meeting the proposed order will be sent to all producers currently on the department's database, as well as all of the livestock sale yards in the state. Staff also will be visiting with the two sale yards that are in the area (Alpena and Gaylord).

Commissioner Tatter said that it is important that industry be informed that a decision will be made at the Commission meeting on September 9, 1998. Industry should be encouraged to send comments or attend the meeting.

Commissioner Stamp asked what are the consequences for knowingly violating the quarantine.

Dr. Chaddock answered that an intentional violation is a felony, punishable up to \$50,000.

Commissioner Darling invited Brad Deacon of Governor Engler's office to address the Commission at this time.

Brad Deacon said that yesterday he had an opportunity to spend the day in the Alpena area along with DNR Director K. L. Cool and Natural Resources Commission Chairman Keith Charters. They visited a couple of the

larger hunt camp clubs. Representatives for the clubs are generally supportive of doing what is necessary to eliminate tuberculosis and reducing deer numbers. However, people pay more attention when there is talk about improving the deer herd and producing a bigger, stronger, healthier herd. People seem to pay more attention to that as opposed to simply eradicating tuberculosis. Another concern is the round bales of hay located near wooded areas. Hunters feel that they are being penalized and that farmers are contributing to the problem by having these large round bales so close to the woods. Hunters consider these bales as bait.

Director Wyant commented that the DNR is holding 10 public meetings in the area. He stated that MDA is attending all of the DNR meetings. He is encouraged that clubs are recognizing the need to stop baiting and to bring deer numbers down. He said we are still struggling with the perception that farmers are feeding deer because they want to bring deer into their property. The Director said that farmers do not want deer on their property for many reasons. However, if it is determined that deer are frequenting a round bale, then certainly the bale must be moved. MDA has been looking at these issues on a case by case basis as requested.

Mr. Deacon added that there is still the question on what number we are talking about when we say "bring deer numbers down."

Dr. Chaddock responded to Commissioner Stamp's earlier question by stating that there have been over 350 special use permits issued by DNR, with 200 deer taken.

Director Wyant gave an overview of the written Director's Report for August 1998. He informed the Commission of a Detroit Free Press story that will most likely appear next week regarding grocery store inspections in southeast Michigan.

He commented that MDA's Website continues to receive recognition and awards for its quality and interesting content. It is interesting to note that Customer Service Survey results indicated that the Website was not being recognized as much on a statewide level as it has been on a national level. Director Wyant will send the Customer Service Survey to the Commission.

The "Select Michigan" eight-week test market program held at Prevo Markets in Traverse City revealed a 13.2 percent increase in sales. This increase in sales is exciting since no promotion was done. Identification of Michigan products was done through placarding and shelf tagging. Testing will continue and eventually the program will be taken to a broader industry group to see if there is interest.

Commissioner Tatter said that he would be interested in reviewing the tabular results of the program when they are available.

### **UPDATE ON MICHIGAN STATE FAIR AND MDA STRATEGIC PLAN – Barbara Hensinger, Michigan State Fair Liaison**

Barbara Hensinger, Michigan State Fair Liaison, provided information on the activities of the 150<sup>th</sup> anniversary of the Michigan State Fair. The official opening is Tuesday, August 25, 1998 and she distributed materials and information about the fair's daily events and activities.

**MDA Strategic Plan Update:** Ms. Hensinger reported that a committee had been established to look at MDA's strategic plan. The department also hosted industry focus group meetings to receive feedback on how MDA is doing. The responses received to date have been very positive. Ms. Hensinger distributed copies of the draft MDA Strategic Plan and will schedule individual meetings with the Commissioners to discuss.

### **LEGISLATIVE REPORT – Vicki Pontz-Teachout, Legislative Liaison**

Vicki Pontz-Teachout, Legislative Liaison, distributed copies of the August 1998 Legislative Report. She reported that the Governor signed MDA's budget. The Clean Michigan Initiative was also approved and will appear on the November ballot.

Ms. Pontz-Teachout reviewed the following:



**HB 5866** (*Preempts local units of government from regulating fertilizer*) was passed with immediate effect and signed by the Governor.

**SB 771** (*Provides for development of agricultural security areas*) The Farming, Agribusiness and Food Systems Summer Work Group (representatives from Michigan Farm Bureau, The Michigan Realtors Association, Michigan Association of Homebuilders, local units of government) has met and made good progress toward a potential bill. It has been determined that some of the incentives that attract farmers into ag security areas are as follows:

- Use value assessment or having land assessed at farmland value rather than development value.
- No local ordinance or zoning regulation can be put into effect that would restrict either farm structures or farm practices within an ag security area; local nuisance ordinance must exempt any agricultural practices that are consistent with the Generally Accepted Agricultural and Management Practices.

Senator George McManus who chairs the Senate Agriculture Committee has indicated to Senator Bill Schuette that he would hold a hearing this fall.

Commissioner Tatter commented that farm labor housing has not been included in any Right to Farm procedure and maybe the time to do so.

Ms. Pontz-Teachout responded that it might not be necessary, since there are federal and state-specific rules and regulations for migrant labor housing unlike other farm practices.

Director Wyant added that the department would review the issue.

Ms. Pontz-Teachout stated that there are two major priorities for the upcoming two-week, fall session.

- Four changes to the Animal Industry Act relating to the tuberculosis situation. They are:

Grant the authority to MDA to do surveillance statewide.

Eliminate the indemnification cap and the percentage allowing payment

at fair market value. The Michigan Cattlemens' Association is concerned that limitation on grade status essentially forces MDA to look at every animal as a generic animal without regard to any specific breed registry. The Association recommends removal of grade status from the Act in order to reimburse at replacement value rather than market value at grade status.

1. Reimbursement for animals injured during testing that ultimately must be destroyed.
2. Mandatory tuberculosis testing for all captive cervidae with restriction on movement without a negative TB test.

- Revisions to the Horse Race Law in the tax and fee structure allowing for additional dollars to flow into the Ag Equine Development Fund and/or stay at the tracks.

Ms. Pontz-Teachout said that she is also putting together materials to both welcome and educate new legislators in January about MDA and its programs.

Commissioner Maitland asked if the reimbursement payments for destroyed animals would be retroactive.

Ms. Pontz-Teachout responded that they would be retroactive relative to this particular outbreak.

## **COMMISSIONERS' COMMENTS**

**Commissioner James Maitland** reported that he had been very active in cherry harvest during the past month. The Cherry Industry Administrative Board, which administers the marketing order, did an excellent job in being timely and efficient. The Grand Traverse area continues to be dry, but the dry conditions will not be a problem to the quality of the cherry harvest. However, he is sure that the apple harvest will be affected.

Commissioner Maitland thanked the department for the information provided to the Commission about the Phil Forner Right to Farm complaint brought forth by Mr. Forner at the July meeting. He also thanked the department for the thorough report provided on the agriculture labor discussion and for arranging the July meeting.

**Commissioner Shirley Skogman** welcomed the Commission to the Upper Peninsula. She said there is still concern about the wolf situation in the Trenary area. The wolves are disturbing the cattle affecting milk production and there has been an instance where a cow was killed by a wolf.

Director Wyant said that MDA does have an indemnification program for wolf kill. Dr. Chaddock added that the kill must be verified by DNR, however.

Commissioner Skogman also reported that she attended the Marquette County Fair and was very pleased. She also reported that the grain yield in her area is very bad.

She also talked with Ben Kudwa, Executive Director of the Michigan Potato Industry Commission about the proposed potato processing plant at K.I. Sawyer. Mr. Kudwa indicated that there are at least two considerations before proceeding: the need for a person with expertise and experience in potato production and the need for a market evaluation.

**Commissioner Deanna Stamp** reported that she attended a meeting on July 24, 1998, at the MDA office to discuss changes to the Fluid Milk Law. These changes deal with the residue penalty provisions. It was the general consensus of the group that the law should remain as it stands. There were other issues brought forth concerning the law and some changes may be procedural changes that could be made within the department.

**Commissioner Jordan Tatter** reported that southwest Michigan fruit crops are picking out lighter than expected. Vegetables, row crops and grain have and are doing well as to yields or yield expectations. July was a dry month, but the area is now in reasonably good shape for moisture. Crops are harvesting about two weeks early. Labor supply for harvesting is tight, but growers are getting by due to short crop sizes that utilize hand labor. Farms with good labor housing have the help they need.

He attended several primary election state senatorial and representative voter informational meetings and individual candidate events. The successful candidates expressed and exhibited interest and knowledge in and about our state's agriculture and food processing industry. Michigan's agriculture will continue to have good support from southwest Michigan legislators after the November election.

Commissioner Tatter traveled to Washington, D.C. for three days of public refrigerated warehousing and associated research and education committee meetings. These groups are tuned into agriculture, both production and value-added processing, concerns. Michigan is well thought of for both its state policy and land grant university efforts in support of agriculture by knowledgeable people from other states.

He attended the first meeting of the Van Bureau County Extension Council. He agreed to serve on this newly formed council. MSU-Extension is forming councils in all 83 counties of our state. These councils are made up of MSU Extension staff, other state agency folks and extension service users. Commissioner Tatter believes that MDA local staff would be welcome additions to these county councils to further cement our department's excellent cooperative efforts with MSU.

Commissioner Tatter reported that on October 1, 1998, the first new federal hazardous materials transportation rules take effect. If spray rigs are classified as transport vehicles, Michigan agriculture is in a further bind. The federal regulation allows for state exemptions for farmers. He believes we should advocate, in conjunction with Farm Bureau and other agricultural interests, that this exemption be immediately put into effect in Michigan.

**Commissioner Douglas Darling** stated that he agreed with Commissioner Tatter's comments about the new federal hazardous materials transportation rules. He also commented that the agricultural economics situation in Michigan is of concern.

Commissioner Darling reported that he attended the National Envirothon Competition at Michigan State

University. There were 43 states and Canadian provinces that had teams participating. It was a very exciting and interesting event in which to participate.

He also attended the Monroe County Fair, along with Representative Beverly Hammerstrom, to represent Governor Engler in recognition of its 50<sup>th</sup> anniversary.

Commissioner Darling stated that Washtenaw County has a .4 mills millage proposal on the ballot. A portion will go to the planning commission, but the bulk would go to the purchase of development rights of farmland and open spaces. Washtenaw County in the past two years has lost about \$30 million of true cash value farmland that changed from agriculture classification to developmental. He also said that the state of Michigan lost about \$950 million in farmland. The Real Estate Transfer Tax has grown at a dramatic rate. From February to May it was 30 percent over what it was one year ago. There is a tremendous amount of land that is being sold in the state and development that is going on.

### **PUBLIC COMMENT:**

**Dr. John Molesworth, MSU Extension Alpena Office** stated that before today's meeting he had an opportunity to speak with Dr. Michael Chaddock about the first draft of the proposed Quarantine Order No. 1998-02. Since receiving the first draft, he has received the second draft today and would like the opportunity to review the second draft before commenting. He does understand the need to approve the order as soon as possible. However, there are three large feeder calf sales coming up in October (Gaylord, Alpena, West Branch) and in Presque Isle, Alpena, Alcona counties there are only four to six veterinarians. The problem is to get the testing done on over 3,000 head of calves.

**Kelly Stephens of the Bays de Noc Convention and Visitors Bureau** distributed a letter to the Commission regarding a visitor's center on the U.P. State Fairgrounds. This letter also has been distributed to the U.P. State Fair Board.

Director Wyant and Chairman Darling expressed their appreciation for the preliminary proposal and are looking forward to receiving recommendations from the U.P. State Fair Board.

**Kevin Small of Curran, Michigan**, is a producer of beef cattle in Alcona County. He has talked with Director Wyant and Dr. Chaddock many times. He appreciates receiving the updated Quarantine Order and looks forward to reviewing the document. He also looks forward to meeting with the department about the order. One concern is that in the order it states that the producer is liable for the cost of the tests when moving the cattle for sale. He stated that producers are being put at a disadvantage if they have to pay this fee. He also stated that most producers are in favor a 100 percent indemnity payment for the market or replacement value.

**Ron Nelson of the Michigan Farm Bureau** commented on the quarantine order. He stated that the Farm Bureau will review and comment on the proposed order. One concern is that the state is more aggressive with the livestock than the deer. The Michigan Farm Bureau has heard positive comments about MDA, but there is concern about the DNR. Mr. Nelson agreed with Ms. Pontz-Teachout that the timely changes to the Animal Industry Act as it relates to the tuberculosis situation is critical. He also said the Michigan Turkey Task Force is trying to address very important economic issues for a number of turkey producers.

### **ADJOURN**

**MOTION: Commissioner Skogman moved that the meeting be adjourned. Seconded. Motion carried unanimously.**

The meeting adjourned at 5:50 p.m.

### **ATTACHMENTS**

The following attachments are on file in the Michigan Commission of Agriculture office and are available upon request:

Attachment A Commission of Agriculture Meeting Minutes of July 7-8, 1998

Attachment B Director's Report – August 1998

Attachment C 1998 Disaster Summaries

Attachment D Farm Labor Status Memorandum Prepared by Marvin Johansen, Manager of the Field Operations Section, Michigan Department of Agriculture

Attachment E Michigan Commission of Agriculture Policies

Attachment F Proposed Michigan Department of Agriculture, Animal Industry Division, Quarantine Order No. 1998-02

Attachment G Draft of the Michigan Department of Agriculture Strategic Plan

Attachment H Legislative Report – August 1998

Attachment I Letter to the Commission from the Bays de Noc Convention and Visitors Bureau