

**Michigan Commission of Agriculture Meeting  
Geagley Laboratory  
1615 S. Harrison Rd.  
East Lansing, MI 48823**

**MEETING MINUTES  
April 1, 2004**

**PRESENT:**

Bill Pridgeon, Chair, Commission of Agriculture  
James Maitland, Vice-Chair, Commission of Agriculture  
James Byrum, Secretary, Commission of Agriculture  
Douglas Darling, Commission of Agriculture  
Ann Jousma-Miller, Commission of Agriculture  
Dan Wyant, Director, Michigan Department of Agriculture

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

Michigan Department of Agriculture Staff  
E.J. Brown, Michigan Association of Fairs & Exhibitions  
Monte Bordner, Michigan Cattlemen's Association  
Elwood Kirkpatrick, Michigan Milk Producers Association  
Wayne Wood, Michigan Farm Bureau  
Dale Sherwin, USDA Rural Development

**CALL TO ORDER AND ROLL CALL**

Chair Pridgeon called the meeting of the Commission of Agriculture to order at 9:05 a.m. on Thursday, April 1, 2004. Secretary Byrum called the roll with Director Wyant, Commissioners Darling, Maitland, Pridgeon, and Jousma-Miller present.

**APPROVAL OF AGENDA**

**MOTION: COMMISSONER DARLING MOVED APPROVAL OF THE APRIL 1, 2004 AGENDA AS PRESENTED. SECONDED BY COMMISSIONER BYRUM . MOTION CARRIED UNANIMOUSLY.**

**APPROVAL OF MARCH 11, 2004, MEETING MINUTES**

**MOTION: COMMISSIONER BYRUM MOVED APPROVAL OF THE MARCH 11, 2004 MEETING MINUTES. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.**

## NEXT MEETING

The next meeting of the Commission of Agriculture is scheduled for June 10, 2004.

## APPROVAL OF COMMISSIONERS TRAVEL

Commissioner Darling attended the Commodity Executive Meeting in Lansing on March 25, 2004. Commissioner Maitland attended two TB meetings; one in Gaylord and one in Bellaire.

**MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE THE ABOVE TRAVEL FOR COMMISSIONERS DARLING AND MAITLAND. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.**

## APPROVAL OF DIRECTOR'S TRAVEL

Food Marketing Institute Show (FMI), May 2-4, 2004, Chicago, IL  
Farm market visit with Troyer Group, May 26, 2004, Elkhart, IN

**MOTION: COMMISSIONER DARLING MOVED TO APPROVE THE DIRECTOR'S TRAVEL AS PRESENTED. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.**

## COMMISSIONERS' COMMENTS

**Commissioner Maitland** reported that there was still snow on the ground when he left Traverse City. He reported that he had attended two TB meetings in Gaylord and Bellaire. Both meetings had fairly good attendance with good questions and legitimate concerns from the farmers about how the program would work for split-state status. He felt staff did a good job of putting the program together and made a good presentation of the facts.

**Commissioner Jousma-Miller** reported that she attended two TB meetings in the Upper Peninsula, one in Iron River and one in Escanaba. A cross-section of people attended with confined herd, beef and dairy producers, and others who were interested from the marketing standpoint. Staff did a nice job and there were very good questions, most dealing with the communication and correspondence, and proposed marketing with Wisconsin. She attended Delta County Soil Conservation District's Annual Meeting and a meeting in Marquette on Cool Cities. On March 31, she attended a meeting with the departments of state government on Cool Cities. Also she has been very active with the Upper Peninsula State Fairgrounds. In addition to the fair in August, there are 42 other events held on the grounds.

**Commissioner Darling** reported that he had attended the Commodity Executives meeting in Lansing. It was insightful to hear what is going on in each industry. One sugar beet processor indicated they expected their acreage to be about 50,000 less than what they were hoping for. Also, a number of them discussed the issue with MSU about intellectual property rights agreements. A couple of the groups have already signed agreements with MSU, while others are working on agreements as they are putting funding into research at the university. The nursery and horticulture groups are discussing the creation of a 232 group. The Christmas tree group is looking at doing promotion and marketing of real Christmas trees because of the move away from using real trees at Christmas. The Great Lakes Ethanol Plant in southeast Michigan has about \$10 million committed of the \$30 that they are looking for. The cherry industry has sold about two million pounds of dried cherries to the school lunch program. The captive deer industry has voiced their concern about not wanting to be moved out of MDA. Also at this meeting, Bob Tarrant did an excellent job of discussing our food security and emergency management for the department and in the industry and working together with the industry. Vicki Pontz discussed water legislation and water usage reporting and how much work needs to be done with education of requirement and timetables of reporting.

Bean acres are up and corn acres are down. There is a glyphosate herbicide (which is like Round-Up) plant in China that was shut down or gone out of business that has caused a bit of a scare in the market regarding supplies. Commissioner Darling talked about the Leadership Development Enhancement Program designed to expose young FFA leaders to Michigan agricultural industry leaders, their organizations and their purpose. Several commodity groups have already indicated their interest in participating.

**Commissioner Byrum** discussed the most recent crop report which indicated a lot of movement in the commodity market. Next year's bean acreage will be down. He said the Department's input is needed in the development of two groups being put together. One group is called a rail users group, primarily the Thumb and Saginaw Valley; short-line railroads in particular. He has met with the president of TSBY, Rail America and CSXT. Rail transportation is critical to us and we need to do what we can to maintain that. He also mentioned a potential "right to process" initiative. This is a significant and complex issue and the department needs to stay involved.

Also, in conversations he has had with many involved in the TB initiative, there is interest in creating an effort to try and work with other states to make sure that, assuming the split-state status is approved later this month by USDA, other states accept Michigan cattle more readily than they have been.

The real news in agriculture is commodity prices; there are a lot of smiles in the industry right now, even though there are a lot of zero interest loans being paid back right now.

Commissioner Byrum was in a meeting yesterday on the Michigan Agriculture Environmental Assessment Program (MAEAP) process involving cropping systems. We need to make sure that producers are involved in those activities, even though trying to do that during the first part of April, last of March is difficult. Farmers need to be involved since they are the ones that will have to do it.

The State Fair report is done, however, Commissioner Byrum indicated he did not have a copy. He is not sure when the report will be released.

**Chair Pridgeon** had no report.

(Note: the floor was yielded to Senator Sheltroun at this time)

### **TB ISSUES IN NORTHERN MICHIGAN**

Representative Dale Sheltroun commented on TB issues in northern Michigan from his perspective. In December, he and Congressman Stupak had scheduled an ag forum for March 22; the two issues were to be herd health and international trade. From the time the meeting was scheduled, mad cow disease hit and movement on the split-state status occurred. The afternoon session was devoted strictly to TB. There was concern that this process has been going on close to six years and everyone is in agreement to move forward. The number one issue was the USDA requirement for 60-day testing before movement. The ag budget was approved in the House and includes language on TB testing. There will be a meeting scheduled to discuss concerns with the Department and Farm Bureau to try and work out language that is agreeable to all. The people up north don't like it but are willing to go along with it. The issue was the 60-day test and getting reimbursement for that. He thanked the Commission for their time.

Director Wyant thanked Representative Sheltroun for his interest and leadership in this issue.

### **BOVIE TB SPLIT-STATE STATUS/MOU: Dr. Joan Arnoldi, Director, Animal Industry Division and Dr. Mike VanderKlok, Bovine TB Eradication Coordinator**

Dr. Arnoldi discussed the most recent step to the final goal of achieving TB free status for the entire state of Michigan. Many have worked long and hard for this and feel that this is an extremely significant step toward TB free status. She presented a Memorandum of Understanding (MOU) from USDA-APHIS that lays out the criteria that must be met to maintain split-state status. She then reviewed the basic criteria in the MOU and Dr. VanderKlok presented the information that was used for the seven public meetings that have already been conducted (five in northern Michigan and two in the U.P.). She stated that they had a very good turn out and good questions. This included information on

movement and identification requirements, testing and zoning requirements, and how they will apply to the two different areas within the state.

During the discussion, Dr. Arnoldi introduced Dr. Reed McCarty, USDA's Area Veterinarian in Charge for Michigan. Director Wyant also recognized and thanked Becky Humphries and Dr. Steve Schmitt from the Michigan Department of Natural Resources (MDNR) for their partnership.

Dr. Arnoldi stated that education is necessary for people to understand exactly how it applies to their operation; they have to plan ahead depending on where their animals are going. There are zoning changes that need to be made within the state so that we can coordinate with the federal zoning requirements. If the MOU is signed and the zoning requirements are acceptable, the final rule would be published and then go into effect 30 days after publication.

Commissioner Byrum pointed out that split-state status would not go into effect until the rule is published by USDA.

Director Wyant stated that the Department recommends the Commission support signing the MOU and moving forward on establishing zones consistent with a split-state status agreement. Under state law, the Animal Health Act gives MDA the authority to establish zones. Those are the zones that would have to be in place at the state level to meet split-state status. He stated that as Dr. Arnoldi had explained, there is a national rule, an MOU that would implement state status, and a state law that we would have to tie together to make the program effective.

Dr. VanderKlok then shared what changes would need to occur to meet the new zoning criteria.

Director Wyant indicated to the Commission that staff is asking for authority to go forward with public comment on this proposal. Three public hearings will be held, one in the U.P. and two in the northeast Michigan area. Public comments would also be welcome at today's Agriculture Commission meeting. This would be done prior to formally issuing an order.

Commissioner Jousma-Miller asked if the dates, locations and times for the public hearings had been set. Sara Linsmeier-Wurfel stated that two hearings were scheduled for Monday, April 19; one in Hillman and one in Gaylord. The third would be held on

Tuesday, April 20 at the UP State Fairgrounds in Escanaba. Written comments are accepted via fax, e-mail or regular mail.

**RECESS:**

The meeting recessed at 10:15 a.m.

**RECONVENE:**

The meeting reconvened at 10:30 a.m.

**PUBLIC COMMENT:**

Monte Bordner, Michigan Cattleman's Association, past president/ TB Advisory Committee, Chair and producer from St. Joseph County. Mr. Bordner thanked Director Wyant and Dr. Arnoldi for their patience and cooperation between producers, commodity groups and government to get input in this process. He stated that it has been a long struggle and issues of concern in the TB zone have been addressed, with resources allocated to develop strategies to minimize the impact. Whether that has happened, remains to be seen. He questioned whether those resources were put to the best use at times. The epicenter from the standpoint of market access of this problem is hundreds of miles from the TB zone. It is the western UP and down in the border counties of the surrounding states. As we go forward, we need to be very judicious with the dollars allocated to this process. If we sign this Memorandum of Understanding we need to hold up our end of the bargain and have the resources to do that. This is the first step. After the rule goes into effect, we do not know what Wisconsin or Indiana's reaction will be, but stated this is the next step. He complimented Dr. Arnoldi and her negotiating skills and felt we got the best deal we were going to get. He stated that he feels this is very acceptable for all parties and encouraged the signing of the Memorandum and changing the zoning.

Director Wyant thanked Mr. Bordner for volunteering his time to chair the TB Advisory Committee and for his leadership with this issue.

Elwood Kirkpatrick, dairy farmer and President, Michigan Milk Producers Association (MMPA). Mr. Kirkpatrick urged the Commission's support and signing of the memorandum of understanding. MMPA represents 2,600 dairy farmers. At their annual meeting of March 16, 2004, they passed policy in support of moving forward with the two-tier status in the state. MMPA is willing to work together to secure the necessary funds to carry it out.

Wayne Wood, dairy farmer and President, Michigan Farm Bureau (MFB). Mr. Wood stated that the MFB membership had been very involved in this issue and very supportive in meeting the split-state status. They see this as the next step in getting Michigan back to a TB-free status. The 2004 MFB policy reads, in part, "To expedite the eradication of

contagious or infectious disease, we will support split-state status for Michigan based on testing and sound science to facilitate the marketing of Michigan livestock and utilizing boundaries that minimize splitting of livestock operations.” They support additional funding to reduce the burden of the farmers operating in the affected area. Long-term efforts of this negotiation have facilitated an opportunity to continually shrink that zone. It is very important to shrink that zone as quickly as possible. MFB appreciates the efforts of MDA and the director and staff in negotiating this innovative plan. He indicated that we could make it work if we work together. He urged moving ahead and signing the MOU.

Chair Pridgeon recognized Ms. Humphries from MDNR and thanked the MDNR for being an important partner in this process. Ms. Humphries indicated that we have all worked hard to develop strategies and this is an important step along the way. She encouraged the Commission to move forward.

**MOTION: COMMISSIONER BYRUM MOVED TO ESTABLISH TWO DESIGNATIONS OF STATUS FOR TB IN MICHIGAN AND ON BEHALF OF THE MICHIGAN COMMISSION OF AGRICULTURE, THE DIRECTOR SIGN THE MEMORANDUM OF UNDERSTANDING BETWEEN MDA AND USDA PURSUANT TO TITLE 9, CODE OF FEDERAL REGULATIONS (CFR) PART 77 AND THE TUBERCULOSIS ERADICATION PROGRAM’S UNIFORM METHODS AND RULES. IN ADDITION, HE REQUESTED THE DEPARTMENT TO ESTABLISH AND IMPLEMENT THE NECESSARY ZONING REQUIREMENTS PRESECIBED BY THE ANIMAL INDUSTRY ACT, ACT 466 OF 1988, SECTION 9, TO ACHIEVE AND MAINTAIN THE TWO DESIGNATIONS OF STATUS FOR TB. COMMISIONER JOUSMA-MILLER SECONDED. MOTION CARRIED UNANIMOUSLY.**

Director Wyant recognized the industry and state and government partners for their patience and leadership and thanked Dr. Arnoldi and staff for their hard work. Director Wyant then signed the Memorandum of Understanding.

### **DIRECTOR’S REPORT**

**Director Dan Wyant** stated that we continue to spend a lot of effort and time on TB. There will be a series of meetings (already scheduled) to cover split-state status and zoning. He has been invited to meet with a group of legislators from the affected area to discuss the resource issue. He discussed proposed boilerplate language that has been added to our budget bill. He also discussed the idea of a proposed check-off on cattle to

pay for testing. There was also a discussion about individual animal testing and who should pay for the testing.

Director Wyant highlighted key issues occurring since the March Commission meeting. These include:

- There are early discussions about the creation of a Food Policy Council. It would look at issues such as local grown products to urban areas, new farm markets, the obesity issue and nutrition through school lunch programs, opportunities for sustainable agriculture and ensuring that small family farms continue to have opportunity for market access. There is interest from the Governor's office to tie that to the Cool Cities program. At a minimum, bring together FIA, MDE, MDCH and MDA to look at how to better integrate food policy across state government.

Director Wyant yielded the floor to Ken Rauscher, Director, Pesticide & Plant Pest Management Division, and will continue the Director's Report after the lunch break.

**PLANT HEALTH UPDATE: Ken Rauscher, Director, Pesticide and Plant Pest Management Division and Mike Byran, Nursery Manager, Pesticide and Plant Pest Management Division**

Mr. Rauscher gave a power point presentation and update on Emerald Ash Borer (EAB). He discussed the EAB outliers, which are infestations associated with artificial spread outside of the generally infested area. Remediation in the Saginaw/Shields area has been wrapped up. The Eaton County tree removal at Delta Township is almost complete. The Marshall site in Calhoun County has been going on for more than a week. He discussed five areas where they are using an eradication strategy. Containment strategies are being considered for six other sites. He explained the eradication and containment strategies.

Chair Pridgeon asked what the public hearing response has been. Mr. Rauscher stated that response has been good in most sites. The first public meetings had questions about what the pest is like and what the impact will be. The second meetings, held after the inventory was done, talk about the pest and the biology and specifically what is planned for that site. In addition, at the second meetings, the contractors are there to answer questions about the removal process. In general, people recognize the problem and are willing to cooperate. There were concerns expressed in St. Clair County as a result of local media coverage.

He discussed containment strategies along the Ohio and Canadian borders.

Commissioner Byrum asked if new sites were still being found. Mr. Rauscher responded that there has been a new suspect site near Quincy in Branch County. In addition, there is a site in St. Helen, Roscommon County, where a sample has been taken and submitted for



identification. If those are positive, the same type of containment strategy would be used there.

Discussion occurred regarding the potential to find more EAB sites over time. It will continue to be a challenge with respect to firewood movement. Educational efforts will continue.

Survey teams are continuing to move through the leading edge and the work is going well.

The Director signed a quarantine on March 25, 2004. The quarantine did three things: adjusted the core, adding 2,000 square miles to the core; allowed for quarantine areas around each of the outlying areas; and it took the end date off the moratorium of sale and movement of nursery stock. Mr. Rauscher reviewed the revised quarantine map.

Commissioner Byrum asked if there had been discussion regarding containment strategies for preventing the spread across Michigan borders at the Mackinac Bridge, Canada and Ohio borders. Mr. Rauscher responded that a year and a half ago, the science panel had reviewed that issue and had developed the current zone approach to containment.

Funding for the program was discussed. Research is on-going.

Mike Bryan updated the Commission on Sudden Oak Death (SOD) with a power point presentation. SOD is deadly to oak trees, and was detected on the west coast about seven years ago. About 3-1/2 weeks ago it was discovered that nursery stock might have been shipped to 40 states with potentially infected plants. On March 11, Monrovia Plants in southern California tested positive for SOD, the first time in southern California. Prior to that it had been limited to the cool, damp, coastal areas. One field tested positive with 11 other fields suspect. Michigan received very few shipments. Eight suspect plants have been found in Florida, Maryland and Virginia with two more states to be added to that list. On March 29, 2004, USDA updated their quarantine to include all nursery stock coming out of California.

In Michigan, there were eight firms that received direct shipments from Monrovia. An indirect shipment from Illinois occurred in December 2003. The eight shipments came between April and June 2003. 171 plants are involved in Michigan. Thirty-one of the plants were camellia plants and are of concern as that is what tested positive in California. Viburnum and lilacs were also shipped. There is a large host list of plants. All nine involved nurseries in Michigan have been visited and the Department is working with USDA. Four of the nurseries have sold out completely and it is unknown where the plants went. The other four nurseries have 26 lilac plants left and those have been restricted. The last site will be visited next week.

There is a national survey underway. We were involved with a formal survey two years ago. We took samples and ran them through MSU. Last year we did an incidental survey as part of our nursery inspections and looked for nursery host material at a couple hundred firms.

This year we will be looking at high-risk sites including the nine locations that received these shipments. We will be looking at rhododendron, viburnum and lilac, the main host plants that we would normally receive in Michigan. The disease does not necessarily kill these plants, they are more of a carrier. Plans are still in development and we will be working with MDNR regarding state lands. In 2002, MDNR looked at campsites and we looked at nurseries.

The disease used to be called a fungus, now called a protista. It attaches to the foliage, not the root. The transfer is believed to happen by splashing of water. It may also be moved around with the soil.

**RECESS:**

The meeting recessed at 12:00 p.m.

**RECONVENE:**

The meeting reconvened at 1:05 p.m.

**USDA RURAL DEVELOPMENT PRESENTATION: Dale Sherwin, State Director, Rural Development-Michigan**

Mr. Sherwin discussed the importance of partnerships between USDA, MDA and industry. He presented a Memorandum of Understanding (MOU) between USDA Rural Development-Michigan and the Michigan Department of Agriculture for the Commission's consideration and approval. This is a continuation of an MOU currently in place.

Director Wyant commented on the importance of a cooperative partnership with USDA.

Commissioner Darling commented that when you look at the number of items included in the MOU, there are many common concerns and issues shared with MDA and its benefit to create links that are understood and setting up parameters for working agreements. Commission Darling expressed his support.

Commissioner Byrum stated that Rural Development is not just new initiatives, but existing businesses that have entrepreneurial opportunities. He expressed his appreciation and support of the MOU.

Commissioner Jousma-Miller stated that rural communities in the UP have become dependent on the relationship with Rural Development when discussing clean water and waste water issues.

**MOTION: COMMISSIONER DARLING MOVED TO ENTER INTO THE MEMORANDUM OF UNDERSTANDING WITH USDA RURAL DEVELOPMENT. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.**

Director Wyant signed the Memorandum of Understanding.

Mr. Sherwin distributed a handout and briefly described the programs available in Michigan. He introduced USDA staff to the Commission: Jason Church, Administrative Officer; Traci Smith, Assistant to the Director; Paul Miller, Director, Rural Utilities and Communities Division; Phil Wolak, Single-Family Housing Division; Ghulam Sumbal, Multi-Family Housing Division; Brian Buehler, Press & Public Relations; and Lee Bambusch, Rural Business Division.

In addition, there are opportunities for rural business enterprise; helping small entrepreneurs to develop, expand or enhance the business activity in rural Michigan. Farming in the rural areas represents about 45% of the economic activity. We are interested in stimulating the business activity in rural Michigan with a variety of programs. Grants are available for projects to enhance rural business activity. The Rural Business Division has money available for specific purposes of value-added. Also available are Rural Business Enterprise Grants (RBEG's).

Mr. Sherwin then announced and presented three grant awards to the Michigan Department of Agriculture:

- Technical Assistance Program for Promoting Ag Tourism in Southwest Michigan in the amount of \$50,000.00
- Publishing the Farm Market & U-Pick Directory: \$65,000.00
- Select a Taste of Michigan: \$200,000.00

Director Wyant thanked Mr. Sherwin for the grants and said that these projects represent a couple of the Department's priorities. Creativity and success with the Select a Taste of Michigan Pilot program last year was great. The commodity groups that participated would like to see the program expanded. There is support from the Governor's office to make this a key program and we would not be able to take it to the next level without this grant. The U-Pick Directory is our most popular document and very valuable to promote

that segment of agriculture: direct marketing and agriculture tourism.  
Commissioner Byrum commended the USDA staff for their continued hard work.

### **DIRECTOR'S REPORT (cont'd)**

**Director Dan Wyant** reported that the 2005 ag budget is about half way finished. The Governor has proposed a 4% GF/GP increase. The House currently has the budget under consideration. There is interest in the House that the Michigan State Fair be moved out of the Department of Agriculture to the Department of Management and Budget. He will keep the Commission informed as the Department receives information.

Director Wyant highlighted key issues occurring since the March Commission meeting. These include:

- **Cool Cities:** The Governor will announce a Cool Cities proposal today. MDA will contribute to four areas of the Cool Cities initiatives: clean sweep opportunities with the pesticide and groundwater program; Select a Taste of Michigan; facilitating municipalities and producers or vendors to promote farm markets; and soil conversation district foresters for reforestation planning in urban communities.
- **MiDeal:** Allows municipalities, schools, community colleges and universities to participate in a system of utilizing Michigan approved vendors to participate in bulk buying with better pricing. We would like to work with the nursery and landscape industry to provide discount tree pricing for those who want to deal with the Emerald Ash Borer communities.
- **Michigan State Fair Lease:** Joe Dumars, former professional basketball player, has agreed to renovate the agriculture building into a field house/basketball arena, and still give the fair access to it during the fair. He will make capital improvements to the facility and bring some resources back to the fair. John Hertel is continuing to look at opportunities for other buildings on the fairgrounds.

The Commissioners were also provided with a list of upcoming events of interest to them.

Other items briefly reviewed were: Michigan Fruit & Vegetable Industry meeting on March 29, 2004; Great Lakes Ag Innovation Advisory Board meeting on March 19, 2004; Farmland Preservation Board meeting held on March 31, 2004; and the Farm Worker Celebration with Gov. Granholm on March 31, 2004.

A brief discussion was held about the location and activities for the June 10, 2004 Commission meeting in the Saginaw area.

Commissioner Maitland asked for follow-up on a Confined Animal Feeding Operation (CAFO) issue brought up at a previous meeting. Director Wyant clarified the language

regarding open lagoons. The Department of Environmental Quality will be holding a series of public hearings on the regulation and order.

**REGULATION CHANGES, FINAL APPROVAL: Bill Woodman, Fairs, Exhibitions & Racing Division**

Mr. Woodman presented seven regulations for final approval relating to the Fairs, Exhibitions & Racing Division. Each regulation has been previously brought to the Commission for preliminary approval prior to public hearings to receive comment. The following regulations were reviewed:

- Reg. 808 Payment of Breeders' Awards
- Reg. 811 Premium Allocations to Fair and Expositions
- Reg. 812 State Purse Supplements for Harness Horse Racing at Fairs and Pari-Mutuel Tracks
- Reg. 814 Futurity and Sire Stakes Races
- Reg. 817 Quarter Horse Breeders' Awards and State Supplements
- Reg. 820 Michigan-Bred Pari-Mutuel Races
- Reg. 823 Paint Horse Breeders' Awards, Owners' Awards, and State Supplements

**MOTION: COMMISSIONER BYRUM MOVED FOR APPROVAL OF ALL REGULATION CHANGES. COMMISSIONER DARLING SECONDED. MOTION CARRIED UNANIMOUSLY.**

**LEGISLATIVE UPDATE: Brad Deacon, Legislative Liaison**

Mr. Deacon reported on the legislative activity that has taken place since the last update, notably, the unanimous confirmation of Ann Jousma-Miller to the Commission of Agriculture.

The ag budget passed the House with a vote of 104-2 and will now move to the Senate side. Also moving is the supplemental budget bill that contains federal Emerald Ash Borer funding, as well as federal grants to Animal Industry and Environmental Stewardship.

Rep. Caswell's bill has passed and been presented to the Governor. That bill changes property taxes, taking out some of the sales that go for non-ag purposes that go back into factoring the value of ag land.

Rep. Gaffney's bill addressing pesticides and pre-notification in schools and day-care centers was signed by Gov. Granholm.

The rules process is going to be changing again. The change will give the legislature more oversight and more time to object to the rules process.

Mr. Deacon reported that both the Chairs from the House and Senate Ag Committees introduced a bill on aquaculture to reduce MDNR's authority on import and export. The MDNR and MDA have been working under an MOU in regard to aquaculture and both have opposed the bills.

Rep. Kathleen Law (House Ag Committee) introduced two bills to increase penalties for violations of the plant pest act; the bills were sent to the Commerce Committee. It is unlikely to be taken up, even though MDA feels the penalties in that act are minor compared to the damage that can be done.

There have been negotiations on groundwater and wastewater fees to fund Michigan Department of Environmental Quality programs that will have some impact on agriculture and will go to the Governor. The ag exemption was removed in SB 560.

Sen. Cameron Brown introduced two bills regarding the Michigan State Fair; one moves it to DMB and one would make it a stand-alone, Type 1 agency.

Three bills were introduced in the House on Emerald Ash Borer to create a single business tax credit for selling replacement trees; a single business tax credit for removal of infested or dead trees, and an income tax credit for removal and replacement.

The Drain Code was voted out of the Senate Ag Committee and appears to be stalled on the Senate floor. The drain commissioners, as an organization, voted to oppose the bill.

**Director Wyant** announced that Governor's Day at the Michigan State Fair would be August 18, 2004 and at the Upper Peninsula State Fair on August 20, 2004.

**Commissioner Darling** led a brief discussion on the FFA/MDA Leadership Program. He provided an outline and asked for consideration on extending an invitation to an FFA officer to participate at Commission of Agriculture meetings in the future.

#### **ADJOURNMENT**

**MOTION: COMMISSIONER BYRUM MOVED TO ADJOURN THE MEETING. COMMISSIONER MAITLAND SECONDED. MOTION CARRIED UNANIMOUSLY.**

**Meeting was adjourned at 2:35 p.m.**

## **ATTACHMENTS**

*A - Agenda*

*B - March 11, 2004 meeting minutes*

*C - Bovine TB Split-State Status/MOU*

*D - Plant Health Update*

*E - USDA Rural Development MOU*

*F - Regulation Changes (808, 811, 812, 814, 817, 820 & 823)*

*G - Legislative Report - April*