

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

**MEETING MINUTES
JANUARY 9, 2006**

PRESENT:

James Byrum, Chair, Commission of Agriculture
James Maitland, Vice-Chair, Commission of Agriculture
Ann Jousma-Miller, Secretary, Commission of Agriculture
Douglas Darling, Commission of Agriculture
Dale Norton, Commission of Agriculture
Mitch Irwin, Director, Michigan Department of Agriculture

OTHERS PRESENT: (all or part of the meeting)

Kendra Butters, Senate Majority Policy Office
Sam Hines, Michigan Pork Producers Association
Kathleen Hawkins, Michigan Cattlemen's Associations
Mike Karweik, Michigan Cattlemen's Association
Ron Nelson, Michigan Farm Bureau
Bridget Patrick, Bovine TB Eradication Project
Tonia Ritter, Michigan Farm Bureau

CALL TO ORDER AND ROLL CALL

Chair Byrum called the meeting of the Commission of Agriculture to order at 9:35 a.m. on Monday, January 9, 2006. Commission Jousma-Miller called the roll with Commissioners Byrum, Darling, Norton, Jousma-Miller, Maitland and Director Irwin present.

APPROVAL OF AGENDA

MOTION: COMMISSIONER BYRUM RECOMMENDED MOVING PUBLIC COMMENT EARLIER IN THE AGENDA PRIOR TO THE PRESENTATION ON ANIMAL IDENTIFICATION. COMMISSIONER MAITLAND MOVED APPROVAL OF THE JANUARY 9, 2006 AGENDA AS AMENDED. SECONDED BY COMMISSIONER NORTON. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF DECEMBER 7, 2005 MEETING MINUTES

MOTION: DIRECTOR IRWIN NOTED A CORRECTION OF THE SPELLING OF CONGRESSMAN DINGELL'S NAME. COMMISSIONER DARLING MOVED APPROVAL OF THE DECEMBER 7, 2005 MEETING MINUTES WITH THE NOTED CORRECTION. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

NEXT MEETING

The next meeting of the Commission of Agriculture is scheduled for February 9, 2006 in Lawton.

COMMISSIONERS' TRAVEL

- December 8, 2005, Michigan Department of Environmental Quality (MDEQ) Roundtable, Adrian – Commissioner Darling
- December 20, 2005, MDEQ – CAFO meeting, Lansing – Commissioner Norton

MOTION: COMMISSIONER NORTON MOVED TO APPROVE THE ABOVE TRAVEL FOR THE COMMISSIONERS. SECONDED BY COMMISSIONER DARLING. MOTION CARRIED UNANIMOUSLY.

ELECTION OF OFFICERS

Commissioner Norton commended Commissioner Byrum for his adeptness and guidance through the process of naming a new director. He stated that consistent with the tradition and history of the Agriculture Commission of rotating its leadership and intent to recognize the diversity in Michigan agriculture, Commissioner Darling be nominated chair. Supported by Commissioner Maitland.

Commissioner Jousma-Miller stated that because of the changes throughout the past year with a change in leadership and Commissioner Byrum's opportunity to be in Lansing on a daily basis to stay very close to the new director and department, she nominated Commissioner Byrum for consideration of one more year as chair. Supported by Commissioner Darling. Commissioner Darling stated that Commissioner Byrum had done an outstanding job in the past year with all the challenges before the industry and department.

MOTION: COMMISSIONER BYRUM MOVED THAT THE NOMINATIONS REFLECT A UNANIMOUS BALLOT FOR COMMISSIONER DARLING FOR CHAIR. SECONDED BY COMMISSIONER NORTON. MOTION CARRIED UNANIMOUSLY.

Commissioner Darling commended Commissioner Byrum on the outstanding job he had done over the last year. He thanked the Commission for continuing the rotation of officers with respect to all the commodity groups in the state and to the individuals with different talents that they bring forward.

MOTION: COMMISSIONER MAITLAND MOVED THAT COMMISSIONER NORTON BE ELECTED VICE CHAIR. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

MOTION: COMMISSIONER BYRUM MOVED THAT COMMISSIONER JOUSMA-MILLER CONTINUE AS SECRETARY. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

WELCOME – MICHIGAN AGRI-BUSINESS ASSOCIATION: Jim Byrum, President

Commissioner Byrum welcomed the Commissioners to the Michigan Agri-Business Association and shared highlights of the meeting including sessions and guest speakers.

COMMISSION COMMENTS:

Commissioner Maitland reported that he had attended the wine industry meeting in December in Traverse City.

He commented that the fruit & wine show is January 18-19, 2006. It is an international show with 30 scientists and researchers that specialize in cherries and the wine industry expected to attend.

There is very little snow in the Traverse City area.

Commissioner Norton commented that he attended a meeting with the Michigan Department of Environmental Quality (MDEQ) on December 12, continuing to discuss the permitting process. He stated that it is still a concern that they have not included enough consideration of agriculture's uniqueness throughout the process.

He will be attending the Michigan Fairs & Festivals Convention in Grand Rapids on behalf of the Branch County Fair and plans to attend the Great Lakes Dairy Conference in Frankenmuth.

There is very little snow in his area. The ground has thawed and those farmers that had not yet harvested their corn are now doing so.

Commissioner Jousma-Miller commented that the holiday period was quiet but there are many upcoming meetings this winter. The Agriculture Tourism Commission will meet January 10, 2006 and then attend the first day of the Michigan Fairs & Festivals Convention.

Commissioner Jousma-Miller is planning to attend the Wine Industry Annual Meeting at Crystal Mountain on March 1-3, 2006. She is interested in a workshop called "The Road to Independence" that deals with entrepreneurialship.

She will also attend the quarterly meeting in the Upper Peninsula (UP) for the USDA Resource, Conservation and Development program on alternative enterprise, which relates to agriculture tourism.

She is working with the staff at the UP State Fairgrounds on many proposals. They are pursuing 5013c status to develop new opportunities for funding. The local Commerce Center includes the Chamber of Commerce, Convention & Visitors Bureau, Economic Development and working to include the UP State Fairgrounds.

Commissioner Jousma-Miller will be unavailable for the February meeting as she will be out of the country.

Commissioner Byrum commented that corn acreage might not be down as much as originally anticipated, maybe less than 5%. Corn demand in the state will be solid.

He stated that livestock production must be increased in the state. With all the expected ethanol production, distillers' dried grains (DDGs) will need to go somewhere.

As we look at input costs and availability, availability will be a larger issue during the next few months, especially with nitrogen products.

Commissioner Darling commented there is a lot of corn on the east side of the state that crosses the Canadian border. The Canadian corn tariff is of particular concern to those producers and how it will be resolved.

Commissioner Darling attended the MDEQ Roundtable on December 8 in Adrian. There was a cross-section of agriculture, local government and community leaders on the panel. They started with comments then went to a question and answer format. There were specific questions from the Michigan Farm Bureau (MFB) members regarding the date of the issuance of the permit in relation to some of the meetings that happened after that. There is concern at MFB.

Commissioner Darling suggested meeting with the Michigan Township Association's Board of Directors to discuss siting GAAMPs, Right to Farm, and Ag Tourism to discuss local ordinances, livestock, etc.

There has been some discussion about the Federal government with Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the superfund of 1986 with issues that have come up regarding livestock production in this country and how EPA is viewing that. There are specific exemptions for fertilizer and chemical, but not for manure.

There is a lot of grain being moved. It looks like harvest at the terminal in Toledo and Ottawa Lake because of the volume of grain that was contracted during harvest because of the price differential at that time.

PRIVATELY OWNED CERVID OPERATIONAL STANDARDS: Keith Creagh, Deputy Director, MDA; Dr. Nancy Frank, Deputy Director, Animal Industry Division; Bill Moritz, Chief, Wildlife Division, Michigan Department of Natural Resources (MDNR)

Mr. Creagh referred the Commissioners to a copy of the Operational Standards previously distributed. He commented that the standards had been reviewed at the December 7, 2005 meeting. The Workgroup had met and a summary of comments was provided. Many of the comments were incorporated into the draft. The cervid act states that the standards need to be developed in consultation with the Michigan Department of Natural Resources (MDNR) and the Commission of Agriculture needs to adopt the standards to move forward through the legislative process. The intent is to have the standards adopted by both the Agriculture Commission and the Natural Resources Commission at their January meetings and propose that they moved forward into statute.

There were two substantive issues. The first being the date the existing facilities need to come into compliance with fencing standards (January 1, 2008). That date was decided upon instead of renewal dates so that there is an even playing field for those coming up for renewal. The second was the clear definition of responsibilities between MDNR and MDA. MDNR will make the facility registration decisions and MDA maintaining expertise relative to animal health. MDA staff is working with MDNR law enforcement to make sure there are standardized protocols for enforcement of facilities and the sharing of information between the two agencies.

The workgroup has completed its work and the document presented was recommended for adoption.

Mr. Creagh introduced Bill Moritz and Dennis Knapp from MDNR, Dr. Nancy Frank from MDA and Alex Draper, representing the cervid industry.

In response to a question from Commissioner Jousma-Miller about who licenses the facilities, Mr. Moritz stated that MDNR is responsible, in consultation with MDA and MDEQ. A common database is being developed for all agencies to access. A communication process is also being developed. Commissioner Jousma-Miller stated that communication with the industry and herd owners should continue to be a priority. Mr. Moritz stated that the audit was an opportunity for local biologists and conservation officers to get to know the individual producers. It worked well for reconnecting with the producers. Commissioner Jousma-Miller stated it would have been a great opportunity for MDA staff to be involved. Mr. Creagh stated that there were resource limitations that prevented that. He stated that it is incumbent upon MDA to be visible and continue to communicate with the industry. MDA appreciates the partnership with MDNR.

Mr. Moritz stated that there are approximately 740 registered herds. The annual herd inventory deadline in January 15, so the current figures should be available for the joint commission meeting in March.

Commissioner Jousma-Miller noted the new procedure for de-commissioning a herd.

Commissioner Maitland asked if the herd numbers were increasing or decreasing. Mr. Moritz responded that it has remained consistent.

Commissioner Norton asked where the largest concentration of registered herds is. Mr. Moritz stated that there were facilities in almost every county, but Genesee had the most.

Commissioner Darling thanked staff of both agencies for the openness and communication that occurred during this process and was pleased with the amount of information being shared.

MOTION: COMMISSIONER NORTON MOVED TO ADOPT THE DECEMBER 2005 REVISED OPERATIONAL STANDARDS FOR REGISTERED PRIVATELY OWNED CERVIDAE FACILITIES. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

DIRECTOR'S REPORT

Director Irwin commented that he would hold the economic development items until the afternoon session.

Director Irwin stated that later in the day, Dr. Steve Halstead would present information on Electronic Animal Identification along with industry support. This is an important issue as we continue to promote food safety, confidence in our food supply and promote opening markets for our livestock sales.

Workgroups have continued with the concentrated animal feeding operation (CAFO) issue.

An important point was suggested that there be a farmer friendly booklet and an on-line opportunity for farmers to have a guide for licenses, registrations and permits (similar to what the Grape & Wine Industry Council has prepared for the wine industry.) MDEQ and MDA are reviewing that idea.

MDA staff has spent a great deal of time, between Emergency Preparedness and Michigan Department of Community Health, working on the plan for rapid response, if and when needed, for Avian flu and other food borne illnesses. Of particular interest is securing federal support for surveillance, oversight, monitoring and response.

Director Irwin commented on several other topics, including biomass energy, legislative issues, the Agriculture Tourism Commission and promotional activities.

He commented briefly on the direct shipping legislation that was signed into law, supported by the Agriculture Commission with a resolution.

He also commented on the tremendous interest in ethanol, production of alternative fuels and the byproducts of that production.

He noted two laboratory scientists added to staff.

He briefly commented about continued budget struggles with the commodity inspection program. Meetings have been held with industry and MDA must continue to work cooperatively with the industry as export potential is expanded in the state.

DIRECTOR'S TRAVEL

- February 16-20, 2006, Washington, DC NASDA meeting.

MOTION: COMMISSIONER NORTON MOVED TO APPROVE THE ABOVE TRAVEL FOR THE DIRECTOR. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

COMMISSION OF AGRICULTURE POLICIES: Doug Darling, Chair

MOTION: COMMISSIONER MAITLAND MOVED TO ADOPT THE COMMISSION POLICIES AS PRESENTED. SECONDED BY COMMISSIONER NORTON. MOTION CARRIED UNANIMOUSLY.

LEGISLATIVE REPORT: Liesl Clark, Legislative Liaison

Ms. Clark noted minimal legislative activity over the holidays, but stated she expects that to pick up quickly.

Ms. Clark reviewed the legislation signed into law over the last year. Those of interest to the agriculture industry related to agriculture tourism, bodies of dead animals (currently going through the rules process), migrant labor camps (administrative civil fine for operating a camp without a license), food processing (protection against nuisance liability) and Emerald Ash Borer (ticket writing authority and revised penalty structure to deal with quarantine issues).

Issues to follow throughout the winter include water issues, methane digesters, farm equipment lighting bill, the seed bill, farmland preservation dealing with agriculture security areas, forestry package and impacts to PA 116.

PUBLIC COMMENT

Mike Karweik, Michigan Cattlemen's Association (MCA) and producer, stated that MCA is in support of a mandatory identification (ID) system for two reasons. Mandatory ID would aid in the control and spread of various diseases or viruses, not just in state but throughout the nation. Cattle move and change ownership several times and this would help track if there were a potential problem. With the Bovine Spongiform Encephalopathy (BSE) problem that did develop between the United States and Canada and then in our country, everybody from the producer to the market wants source-verified product. They want to know where the product came from, from the packing plant to the person buying groceries. With electronic ID, that is possible. You can read the chip and see where the animal was born and what year. For the tenderness and quality of the product, they can verify where the cattle where fed, who fed them and what they were fed, if need be. Michigan Cattlemen's Association supports this action.

Elwood Kirkpatrick, Michigan Milk Producers Association, distributed a letter of support for mandatory electronic animal identification.

Commissioner Darling noted letters of support received from Michigan Farm Bureau, Michigan Cattlemen's Association and Michigan Pork Producers Association.

MANDATORY ELECTRONIC ANIMAL IDENTIFICATION: Dr. Steve Halstead, State Veterinarian/Animal Industry Division Director

Because Dr. Halstead was unavoidably detained, Commissioner Darling read the proposed motion and asked for comments.

MOTION: COMMISSIONER MAITLAND MOVED THE COMMISSION SUPPORT THE UTILIZATION OF ELECTRONIC IDENTIFICATION AS THE OFFICIAL IDENTIFICATION FOR CATTLE IN MICHIGAN AS OF MARCH 1, 2007. WE DIRECT THE DEPARTMENT TO DEVELOP AN IMPLEMENTATION PLAN AND REPORT BACK TO THE COMMISSION WITHIN SIX MONTHS OF THIS MOTION. SECONDED BY COMMISSIONER NORTON. MOTION CARRIED UNANIMOUSLY.

EMERGENCY PREPAREDNESS: Brad Deacon, Emergency Management Coordinator and Department Hearings Officer; Dr. Nancy Frank, Deputy Director, Animal Industry Division; and Dr. Steve Halstead, State Veterinarian/Animal Industry Division Director

Mr. Deacon briefly discussed the 2006 Homeland Security Grant cycle that is now underway. Staff is reviewing materials and working with the

Michigan State Police to actively pursue federal funding to support efforts across the department.

He shared a copy of the joint effort between the Environmental Stewardship Division and Michigan State University Extension on Emergency Planning on the Farm that have been updated and printed.

Dr. Frank gave an overview on Avian Influenza, what's happening in the world and in the United States and Michigan. Worldwide, the highly pathogenic strain in birds (H5N1) is continuing to spread. The latest discussions have to do with the disease moving into Turkey where there had been some outbreaks before. There have been 144 human cases diagnosed and 76 deaths. In Turkey, they are reporting a cluster of approximately five people confirmed ill, but another 50 are hospitalized and may have Avian Influenza. It continues to travel from bird to bird and bird to person, but it appears that person-to-person cases have been very limited.

In the United States, the industry is increasing surveillance for Avian Influenza having to do with the H5 and H7 subtypes. The National Poultry Improvement Program, which covers a number of diseases, includes mandatory surveillance for Avian Influenza in the next two years. The industry has gone beyond that as the National Chicken Council has come forward with a voluntary program that would require them to do testing of their birds before they enter the food chain. The goal would be to show that birds with an H5 and H7 are being looked for and there would be no chance of them entering into the food chain. Approximately 90% of the commercial poultry flocks have enrolled in the program. The National Turkey Federation is also following suit. On a broad basis across the country, there will be more surveillance for Avian Influenza.

In response to a question from Commissioner Norton, Dr. Frank stated that at least 11 birds from a flock would be tested under the industry's plan.

The agreement is that any flock found to have an H5 or H7, will be humanely euthanized.

Michigan is moving ahead with an inter-agency Avian Influenza workgroup. This is a multi agency workgroup, including MDA, MDCH, MDNR, USDA Wildlife Services, USDA Veterinary Services, MSU and the governor's office. The goal is to make sure there is a clear, concise and coordinated state plan to prevent, prepare and respond to Avian Influenza. There are a number of sub-groups looking at legal authority,

communication and education, occupational safety, surveillance (both animal and human), funding sources (reviewing both the animal and human response plans), laboratory capacity and scientific and technical information. The full group will meet repeatedly over the next couple of months.

Dr. Frank distributed an informational brochure prepared by USDA.

Commissioner Darling commented that USDA has information on its website regarding Avian Influenza.

Dr. Frank stated that information is currently being updated on the State Emerging Diseases website and that this is the portal for information about these diseases.

Mr. Deacon commented that in September, MDA met jointly with USDA and the largest egg producer in Michigan, at their request, to discuss bio-security and issues they face. Their plans are based on MDA's Avian disease response manual. They have been very proactive with their operation.

Commissioner Byrum asked if the organic community has been made aware of concerns that would be engaged with free-range issue. He expressed concern over migratory birds and outdoor flocks. He commented that the recommendation in many countries was to keep flocks inside.

Dr. Frank responded that there are two main sectors within the poultry industry in Michigan. The commercial sector is more the enclosed facilities with disease surveillance already going on, and the hobby and backyard producers, which include the organic, outdoor free-range producers. This sector does not have an organized association, so communication is more difficult. However, additional education and communication, through brochures and other avenues will be conducted. There was a project last summer at the fairs to do some sampling and education.

Dr. Frank stated that there are other brochures available from USDA that targets those sectors and that MDA would continue to work in that area, in addition to ongoing outreach to commercial poultry operations.

Commissioner Norton asked Dr. Frank to explain the human risk and why it is such an issue. Dr. Frank explained that the Avian Influenza viruses mutate and change very quickly. The viruses should stay bird-to-bird, but

there have been incidents of this H5N1 strain of the virus moving bird-to-person. As a new version of a highly pathogenic strain, it can cause high mortality. The concern is that it will continue to mutate which is characteristic of the viruses, and if continues to mutate to the point where it will transmit from person to person, there is the potential for an epidemic and possibly a global pandemic. Because the viruses change so quickly, it is difficult to develop vaccines.

Mr. Deacon reviewed the process followed pursuant to the Animal Industry Act, to receive public input and comment on the Proposed Director's Order regarding Bovine Tuberculosis. He distributed the hearings report for review. The legal requirements were met for implementing the decision in terms of public notice and hearings. The comments were divided into three areas: zoning, animal identification and communication. The area of movement requirements and zoning was generally met with very positive reaction in terms of moving forward. Some of the producers in the northern lower peninsula, especially on the edges of the modified accredited area, did ask about shrinking that zone rather than moving the whole zone forward. The major issue was electronic animal identification. Many producers are in favor of it, however, many would like to see the state continue the program of providing the tags at no cost. There were concerns about when it would be implemented along a timeline to accommodate and not put any undue burdens on producers.

Producers were asked how they would like to receive communication and this type of information and they feel direct mailing is best, along with other avenues of communication.

Attendance varied at the meetings with the best attendance in the Upper Peninsula.

There have been questions about additional hearings/meetings to discuss implementation and those will most likely occur.

Dr. Halstead stated that more informational meetings related to the ID plan will be held, but if other questions come up on the zones, they will also be addressed.

He stated that he expects to present the actual zoning order at the February Commission meeting for implementation around April 1, 2006.

Dr. Halstead reviewed the proposed TB Eradication Herd Plan that had been initially presented at the December 2005 Commission meeting. The proposed plan states the MDA will no longer operate with test and removal

herd plans for future TB positive herds, but to require depopulation. The test and removal plans take up to five years and delays the advancement of the program toward eradication and free status for the entire state.

MOTION: COMMISSIONER BYRUM MOVED TO APPROVE THE RECOMMENDATION THAT THE MICHIGAN DEPARTMENT OF AGRICULTURE APPLY HERD DEPOPULATION HERD PLANS AS STANDARD FOR TB ERADICATION. SECONDED BY COMMISSIONER NORTON.

A brief discussion ensued regarding the current state status of positive herds in Michigan.

Dr. Halstead stated that education and communication will be very important and materials are being developed for distribution.

PUBLIC COMMENT (Continued)

Elwood Kirkpatrick, Michigan Milk Producers Association, stated that the association members had much discussion about the issue and support herd depopulation as standard for TB eradication.

Kathleen Hawkins, Michigan Cattlemen's Association, stated that they are very involved with the TB Advisory Committee, and involved in many discussions. While this is a difficult decision, they feel it is in the best interest of the industry.

MOTION CARRIED UNANIMOUSLY.

FOOD & DAIRY DIVISION UPDATE: Katherine Fedder, Director, Food & Dairy Division and Sue Esser, Dairy Program Manager, Food & Dairy Division

Ms. Fedder reviewed documents distributed to the Commissioners and discussed plans related to budget reduction issues. The materials were the same presented to the House Agriculture Appropriations Subcommittee in Fall 2005.

She reviewed the Food & Dairy Division Programs and a historical review of state restricted revenue and general fund dollars. Of the three major programs, the food program received approximately 75% funding through general funds. The food service program is 100% restricted funding and the dairy program is 90% general funds.

She commented on the changes in the number of food and dairy inspectors over the last six years and the current challenges facing the

department with impacts from the budget reduction. Some inspections will be discontinued based on risk assessment. She explained the risk assessment program. They are at a critical point for number of inspectors. An agreement has been reached, working with Michigan Milk Producers Association (MMPA), to make sure inspections are done to meet the Pasteurized Milk Ordinance so that milk can be shipped out of state. The Certified Fieldman Program at the co-ops will be used to help compensate for some of those inspections. This will not include enforcement, so MDA must have an oversight program to ensure enforcement is occurring. Procedures are currently being developed.

The Food Service Program oversees the local health departments who conduct primarily restaurant inspection, we have tried to bring the state inspections and local health inspections together over the past eight years and have made a lot of headway. They are both under the same law and have insured that inspection activities are not being duplicated. Now, however, we may be at a point where we are requiring local health departments to do things we will not be able to, however, we are auditing them. Staff is working with the Association for Local Public Health, but this will become an increasing problem if the state program continues to erode.

She reviewed other threats and challenges to the food and dairy programs due to budget reductions.

She briefly discussed opening the Food Law in order to adopt the 2005 Food Code. In regarding to the Dairy Law, the 2005 Pasteurized Milk Ordinance should be adopted and staff continues to deal with difficult issues related to raw milk and "cow-share" programs.

Ms. Esser briefly discussed violations found during dairy inspections and compliance issues. There are 2,600 dairy farms in Michigan.

In response to a question from Commissioner Darling, Ms. Fedder stated that grant dollars are being reviewed and researched for equipment and activities, but most grant funds do not support staff. There are plans in place for use of grant monies, should they become available.

Ms. Fedder reported that there are approximately 97 employees in the Food & Dairy Division, 59 in the field.

She discussed the types of inspections and testing done.

PUBLIC COMMENT (Continued):

Tonia Ritter, Michigan Farm Bureau, shared MFB's policy supporting mandatory animal identification that was adopted recently at their annual meeting.

RECESS:

The meeting was recessed at 11:24 a.m.

RECONVENE:

The meeting was reconvened at 1:32 p.m.

ECONOMIC DEVELOPMENT ACTIVITIES, Mitch Irwin, Director, Michigan Department of Agriculture

Director Irwin updated the Commission briefly about the Michigan State University study that will be released soon, showing positive growth of the food and agriculture industry in Michigan.

Director Irwin shared a Preliminary Analysis of Capital Investment in the Michigan Food and Agriculture Sector that includes dollars invested and job development.

Director Irwin distributed a map showing the Agriculture Renaissance Zones in the state. He discussed the continued growth throughout the state.

He reviewed the 21st Century Job Fund Update and the four sectors where they be looking for investment opportunity. Two of the sectors, life sciences and alternative energies are tied into the Department of Agriculture in terms of promoting alternative energies, waste energy, biomass and biotechnologies. MDA is structuring to be in a stronger position to work in the public-private partnership where we will be assisting those in the private sector. There is \$400 million being put out for investment and agriculture will be a key part of that. There was money set aside for Travel Michigan and MDA has meetings going with Travel Michigan to ensure agriculture tourism efforts are coordinated with their promotional efforts. The second area is in forestry. Staff has met with the forest development authority as to how that program can be utilized to partner with current practices. MDA does some forest management planning with farmers through federal funds and would like to continue and expand upon that.

The third area is the Julian-Stille Value Added Fund. A brief outline was distributed. The Agriculture Commission will be asked to act on the criteria and evaluation of the use of these funds.

Director Irwin stated that MDA would continue to play a growing role in the 21st Century Job Fund in three ways. One, the big picture, which is Homeland Security, Advanced Automotive Technology, Life Sciences and Alternative Fuels. Every time there is a business looking to expand, MDA will be working with the Michigan Economic Development Corporation (MEDC) in a closer partnership to encourage the expansion of the food and agriculture industry in Michigan. The second piece is the Julian-Stille Value-Added Fund and the third piece is the Agriculture Renaissance Zones that will be debated in the legislative chamber. That will be another tool for the Governor and the legislature to put in place that can expand jobs and diversify our economy. MDA will be involved, discussing and promoting.

Work is also continuing with MEDC, MSU, Michigan Agri-Business Association and biotechnology firms to put together a bio-Michigan partnership with the private sector looking toward creative, new innovative technologies.

Commissioner Jousma-Miller commented briefly about the work of the foresters in the UP and their preliminary evaluation of salvage wood products for biodiesel.

COMMISSIONERS ISSUES

Commissioner Norton stated that he would be watching the implementation of electronic animal identification as it is important that it be done in a way that producers are comfortable with.

He will also continue to monitor and continue to be involved in discussions with MDEQ.

Commissioner Darling asked for an update on the process with MDEQ and Michigan Sugar.

ADJOURN

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

The meeting was adjourned at 2:00 p.m.

Attachments:

A – Agriculture Commission Meeting Minutes December 7, 2005

B – Motion for Adoption of Revised Operational Standards for Registered Privately Owned Cervidae Facilities

- Operational Standards for Registered Privately Owned Cervidae
Summary of Work Group Comments to Operational Standards*
- C – Directors Report – January 2006
Letter to dated January 6, 2006 to Richard Crowder*
 - D – Legislative Status – January 2006*
 - E – Motion for Mandatory Electronic Identification (EID) of Cattle
Draft Implementation Plan*
 - F – Bovine Tuberculosis – Proposed Director’s Order (Issues November 9, 2005) Public Hearing
and Comment Report
Motion on TB Eradication Herd Plans
Biosecurity if for the Birds (USDA brochure)*
 - G – MDA Food and Dairy Division Programs
MDA Food and Dairy Division FY06 Budget Impacts and Challenges*
 - H – Preliminary Analysis of Capital Investment in Michigan Food and Agriculture Sector
Julian-Stille Value-Added Act, Act 322 of 2000 (fact sheet)
Public Act 322 of 2000, Julian-Stille Value-Added Act*
 - I – Public Comment
Letter of January 9, 2006 from Michigan Milk Producers Association (Electronic Animal ID)
Letter of January 4, 2006 from Michigan Cattlemen’s Association (Electronic Animal ID)
National Animal Identification Plan, Statement of Michigan Pork Producers Association
Letter of December 15, 2005 from Michigan Farm Bureau (Electronic Animal ID)
Michigan Farm Bureau Policy 19 Livestock and Poultry Health regarding electronic animal ID*
 - J – Commission Policies*
 - K - Agenda*