

MICHIGAN COMMISSION OF AGRICULTURE

**Geagley Laboratory
Gordon Guyer Room
1615 S. Harrison Road
East Lansing, MI 48823**

**MEETING MINUTES
NOVEMBER 9, 2006**

PRESENT:

Douglas Darling, Chair, Commission of Agriculture
Ann Jousma-Miller, Secretary (via video-conferencing)
Don Coe, Commission of Agriculture
Mitch Irwin, Director, Michigan Department of Agriculture

OTHERS PRESENT: (all or part of the meeting)

Alex Draper, Michigan Deer & Elk Farmers
Gretchen Harrison
Ron Nelson, Michigan Farm Bureau
Rick Sprague, Triple R Ranch Whitetails

CALL TO ORDER AND ROLL CALL

Chairperson Darling called the meeting of the Commission of Agriculture to order at 10:06 a.m. on Thursday, November 9, 2006. Commissioner Jousma-Miller called the roll with Commissioners, Darling, Byrum, Jousma-Miller, Coe and Director Irwin present. Commissioner Norton was out of the country.

APPROVAL OF AGENDA

MOTION: COMMISSIONER BYRUM MOVED APPROVAL OF THE NOVEMBER 9, 2006 AGENDA. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF SEPTEMBER 13, 2006 MEETING MINUTES

MOTION: COMMISSIONER COE MOVED APPROVAL OF THE SEPTEMBER 13, 2006 MEETING MINUTES. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

NEXT SCHEDULED MEETING

December 6, 2006, Grand Rapids during the 2006 Great Lakes Fruit, Vegetable & Farm Market EXPO

COMMISSIONERS' TRAVEL

Need date of travel - Washtenaw County Annual Farm Bureau Meeting,
Commissioner Darling

MOTION: COMMISSIONER COE MOVED APPROVAL OF COMMISSIONERS' TRAVEL. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

COMMISSION COMMENTS:

Commissioner Jousma-Miller thanked everyone for making it possible to be a part of the Commission meeting using video-conferencing. She was pleased to host Director Irwin in the Upper Peninsula (UP) who presented a Julian-Stille grant to Michigan Meat Processing. In addition, Director Irwin helped to celebrate the 100 year anniversary of Saykly's Confectionery & Gifts in Escanaba.

She discussed her new role as Economic Development Director for Delta County and how it has allowed her to expand her agricultural interests throughout the community. She is working closely with Ag Solutions, the bio-diesel plant, as they evaluate installation of a rail siting especially for the plant. Also, an agri-business meeting was held recently and explored opportunities for funding for expansion of agriculture businesses in the UP.

Commissioner Jousma-Miller will co-host an upcoming meeting on bio-mass and switch grass for ethanol and bio-diesel production.

She commented that this year's UP State Fair was the grandest ever experienced. "Growing UP Forester" is an on-site project that has gained much attention.

The Logging Congress will be held in Escanaba in September 2007. The "Growing UP Forester" exhibit will be expanded. The logging industry, legislators and local interests will be involved.

Commissioner Darling commented how successful the Growing UP Forester exhibit was.

Commissioner Byrum stated with all the rain, harvest will be substantially slower and take longer than normal. The dry bean harvest started around August 8 and is still going on. Corn has been wet until recently. Yields are anticipated to be average or below average, primarily because of wet harvest conditions. Soybeans are at about 80% harvested. With soybeans coming off slowly, wheat acres are not

available with up to a 20-40 percent reduction. He also thinks soybean and dry bean acres will be down next year. Corn acres are estimated to increase up to 20 percent. Last year there was a 10-year high in the price of corn which encourages more acres.

He briefly discussed the effects that high corn demand for ethanol will have on other industry sectors such as the dairy, beef, poultry and swine. He predicts that some of the smaller dairy operations will be lost with feed costs high and returns low.

Storage issues continue across the state with corn, soybeans, wheat and dry beans coming in all at once. The storage facilities are full. He stated there will be more outside storage this year than in the past.

The Bioeconomy Summit in September was an extraordinary success with approximately 250 in attendance.

Commissioner Coe concurred that it has been an interesting harvest this year. For those in the wine industry, it has taken a very long time to complete the harvest because of weather. He commented that in the last two weeks he had traveled to the Finger Lakes producing area in New York, the North Fork of the Hamptons and Long Island, and finished on the Niagara Peninsula Ontario. He visited approximately 35 wineries and all were experiencing the same difficulties with harvest due to weather.

This year there was a devastating harvest for table grapes, but wine grapes in this area experienced a difficult, but not bad harvest.

While traveling through the other states, he noted similar issues in the wine industry, and how the small, developing value-added agriculture industry has added to tourism in all of those markets and economic activities.

He noted the recent presentations about the new Michigan Farmers' Market Association, Agricultural Tourism Commission and Michigan Land Use Institute's work on Eat Fresh and Grow Jobs. He encouraged continued focus on these areas of growth just as ethanol and biofuels are providing areas of growth for agriculture.

He also noted a problem this year, in all crop areas, of getting an adequate labor force. With a change of administration in Washington, he stated that as a Commission and MDA that we get the message to members on Congress that now is the time to deal with the realities of a stable workforce in Michigan for the agricultural sector. Commissioner

Coe distributed a copy of a letter that is being circulated through various associations asking for support from agricultural groups to members of Congress and conveying the importance of dealing with a stable agricultural work force.

Commissioner Darling mentioned that some farmers in southeast Michigan growing cucumbers and other commodities did not have a workforce and had to leave crop in the fields.

Commissioner Coe concurred that in his area, the apple crop had suffered.

Commissioner Byrum commented that the Michigan Apple Committee was putting together a coalition in Michigan. It was unclear if other commodity groups in Michigan had joined. He stated that Michigan Agri-Business Association is very interested in the issue.

Commissioner Byrum asked that this issue be put on next month's agenda with advance material and input from the commodity groups.

Commissioner Coe read the draft letter aloud.

Commissioner Darling commented about weather slowing down growth and harvest. He agreed with Commissioner Byrum that grain elevators are full. There are still soybeans in the field.

He attended the Washtenaw County Farm Bureau Annual Meeting that covered a host of topics.

He commented about a number of phone calls he has received recently regarding item pricing, raw milk and feral swine. Additionally, questions and issues related to truck weight and enforcement on highways were raised.

The Michigan State University (MSU) Dairy Judging team had an individual, Adam Preston, take second place overall at the World Dairy Expo. The team took sixth place. Congratulations to Adam and the entire team.

Commissioner Darling commented about the tour taken after the September 13, 2006 meeting in Saginaw. He thanked Saginaw Valley State University and the students who demonstrated projects for research and teaching. Among the projects presented were a diesel-powered mini-bike and an ethanol powered lawn mover.

Commissioner Darling also acknowledged members of the Leadership Academy who were in attendance at the Commission meeting.

DIRECTOR'S REPORT

Director Irwin briefly discussed the budget cycle and commented that all areas of state government are facing challenges. He addressed shortfalls and some increased funding. He stated that staff will continue to respond to requests for information from the budget office. There will continue to be challenges and opportunities throughout the department.

He discussed the Select Michigan Program, international trade and promotion. He referred to the new Agricultural Statistics and how it shows the continued growth in the number of commodities grown in Michigan. He stated the economics are very sound for promoting locally grown and consumed foods. Exports are also growing. The target for next year is to stabilize both the federal and state support base and look at matching funds.

He commented briefly about presentations that have been done with the recipients of Julian-Stille Value-Added grants and how well received they were.

He discussed a Commercialization Roundtable that has been established, through statute. Over the next several months, they will review opportunities to add financing for Michigan farmers, for beginning farmers, innovations, etc.

He also reviewed the members of the Renewable Fuels Commission appointed by the Governor. The main function of the Commission, housed in MDA, is to review all policies pertaining to alternative fuels and energy and how we in the state can enhance and promote the use of alternative fuels.

The Agriculture Tourism Commission final report is ahead of schedule. The current plan is to present it to the legislature in January or February and request support in changes in the areas of signage, promotion and zoning.

Director Irwin thanked DTE Energy for a reforestation program they have put forth to help both the Michigan Department of Natural Resources (MDNR) and MDA in efforts to reforest and diversify species in the wake of loss of tree canopies throughout the state due to the Emerald Ash Borer (EAB).

At a recent meeting of commodity group executives, the issue of rapid response to and indemnification for invasive species problems that continue to surface was discussed. Director Irwin commented that the report on the recent Plum Pox Virus detection is a good example of how government and university research can pull together and respond quickly. In regard to indemnification, there will be a workgroup put together to review options.

Director Irwin commented about the Agriculture Extension Service Council Award given to Jim Nugent from the Northwest Michigan Horticulture Research Station upon his retirement. Mr. Nugent has been a pioneer and a stalwart for efforts in research.

Director Irwin commented on other activities celebrating anniversaries of Michigan companies including Saykly's Confectionery & Gifts, Michigan Sugar and Kellogg Company.

He invited the Commissioners to the Employee Awards Ceremony and Reception on December 1, 2006 beginning at 1:00 p.m.

He noted that at the December 6, 2006 meeting we will highlight some of the development efforts underway including an update on renaissance zones as it relates to forestry, agriculture food processing zones and renewable energy zones. The legislature recently approved 10 news zones in each category.

There was a brief discussion regarding concerns about renaissance designations without appropriate plans in place to utilize the designations with a legitimate project and questions about the review process.

ANIMAL INDUSTRY UPDATE: Dr. Steve Halstead, State Veterinarian; Dr. Nancy Frank, Deputy Director, Animal Industry Division; Dr. Michael VanderKlok, TB Unit Manager and Kevin Kirk, Special Assistant to the Director

Dr. Halstead updated the Commission on a farm raised deer operation where Bovine Tuberculosis (Bovine TB) has been confirmed in Montmorency County, within the TB Modified Accredited Zone. The strain of the disease is that which has been found in the wild in the area.

It is a 250 animal herd that was populated from other captive operations within the state. One animal has tested positive. It was an animal hunted for meat and presented with lesions. The herd has been declared positive and placed under quarantine. The owner is aware of the activity. Staff is

currently working through the appraisal and indemnity process with the United States Department of Agriculture (USDA) to determine the value of the animals. They are also working with USDA Wildlife Services to development a depopulation plan for the operation.

This is the second captive deer operation that has tested positive; the previous operation was early in the TB program in Presque Isle County in 1997. That situation was different as the owner had actually built a fence around wild deer and purchased them from MDNR.

In relation to TB in cattle, staff traveled to Washington, DC to visit with USDA program staff and administrators to discuss the TB program in Michigan. Issues included items from the Station Review in March 2006, reviewing both their operation in the state and the cooperative programs within the state.

There is no expectation or intention that our status will be downgraded. Additionally, USDA was informed that Michigan does intend to apply for free status for the current Modified Accredited Zones, which is the greater part of the Lower Peninsula and received favorable comments and discussion. There was also discussion and agreements about indemnification and how it should be cooperative between the two agencies. Further discussions included the development of a movement tracking system and permits for movement and enforcement issues with boundaries (working with Michigan State Police).

Dr. VanderKlok distributed and reviewed an updated monthly report representing TB testing figures. Over one million animals have been tested. The particular strain of TB found in Michigan is unique to Michigan and that has been important to keeping our marketing open and moving up through the program. Because of all the work that has been done in this program, USDA has indicated they would like to see a few changes in the program and have them in place for one year. Barring any strange events, they would then consider moving the majority of the state up to TB Free Status.

He distributed and reviewed proposed zoning order changes within each of the three zones in Michigan.

Dr. VanderKlok is the vice chair of the US Animal Health Association's TB Committee. At their recent annual meeting, there was a commitment from USDA to work closely with that committee of TB policy issues.

Dr. Halstead commented that staff has been making a strong case that Michigan's animal identification program is necessary because of the TB situation faced, and not because there is a national effort. Identification of the cattle is critical to the eradication of tuberculosis.

Kevin Kirk distributed an updated chart containing information about the number of tags sold, number of producers and number of premises registrations. He also discussed the presentations and outreach opportunities over the summer. Those opportunities will increase over the next few months as we get closer to the March 1, 2007 deadline.

He reviewed an example of a "check stuffer" that was sent out to auction markets. They are printed on brightly colored papers and provide important information about animal identification.

He discussed how tags will be necessary in order to move cattle off the farm for slaughter. Producers are being encouraged to tag now.

In response to a question from Commissioner Byrum about feed dealers, Mr. Kirk stated that there were invitations sent out this summer to ask if they would be willing to use the "check stuffer" and two did. A feed elevator in Harbor Beach also sponsored a presentation that he gave.

In response to a question from Commissioner Darling about purchasing tags and turn-around time, Mr. Kirk stated it takes less than two weeks.

In response to a question from Commissioner Byrum about negative feedback, Mr. Kirk said he believes it has been tempered, but expects to receive some negative feedback through March 1, 2007. Producers know it is necessary to market their cattle and that it is related to the TB problem.

Dr. Halstead stated that while it is understood that there will also be a segment of the population that do not like the idea of tagging, the majority are compliant. There will be an escalated outreach attempt for the next three months, targeting producers and the general public.

In response to a question from Commission Byrum, Dr. Halstead stated that Michigan's congressional delegation is regularly updated on TB activities.

In response to a question from Commissioner Coe, Dr. Halstead stated that the "read distance" on the tags is between 36-42 inches. Mr. Kirk

would like to see a reader developed that would have an eight foot wide alley that would read four animals, side by side, at 17 miles per hour.

Director Irwin commented that the communication strategy has acceleration moving toward the deadline. He thanked the Michigan Cattlemen's Association for their work in getting information to the producer. There has been more integration with MSU Extension and other Michigan and national based media.

There was a brief discussion about tag readers.

Dr. Halstead shared a map identifying counties in the state where feral swine have been reported. Two years ago was the first confirmed reports from conservation officers and law enforcement officers. Since then, MDA staff and other verifying sources indicate that Michigan does have free ranging swine in the state. Currently, 23 counties have confirmed populations. It is believed some may have come from meat hog operations, but the majority is believed to have escaped from commercial, fenced, hunting operations that imported swine for fenced hunts. Those are typically referred to as "European Wild Boars", "Russian Boars" or wild pigs and they look different from conventional meat breeds. There have been reports of both types.

There is great concern because of disease potential that could impact Michigan's psuedorabies and swine brucellosis free statuses. Feral swine are also excellent hosts for Bovine TB. Managing the herd or eradicating the herds is of great importance from both the agricultural perspective and the environmental perspective. They are extremely hard on the environment, causing erosion and displace native species. They are prodigious consumers of eggs and ground-nesting birds, cause siltation of streams and are a potential threat to humans while defending their territory.

Dr. Nancy Frank discussed plans to help bring the herds under control. Currently, MDA is working with MDNR to develop a hunting program. Hunters will be encouraged to hunt these animals if they happen to see them while hunting for other game. While they are running wild, they are considered livestock so there has been contact with local prosecutors in all the counties and try and find people who may have been the owners of some of the animals, touch base with them and make sure no one will be prosecuted for shooting the feral swine. Hunters will be encouraged to have the animals checked at a MDNR check station where samples can be taken.

Staff will also be making a comprehensive review of the best strategy for preventing releases in the future and handling them once they do get out. In addition, they will be reviewing suggestions for rewriting existing law, additional regulatory and monitoring components.

There was a brief discussion about placing a bounty on the animals. Dr. Halstead stated there are some concerns about encouraging too much hunting because in states where they have done that, they have developed a hunting structure that is similar to Michigan's deer feeding structure and once it is established, it is difficult to reverse. He said they have learned from other states that have dealt with this issue; you must take the population down by 80 percent to maintain it at the current level.

Dr. Frank commented that these animals are so smart that once you start hunting them, you drive them into hiding. Hunting pressure makes them spread out and hide and it is harder to get rid of them.

There was a brief discussion about getting information out to retail hunting license establishments and getting hunters interested in hunting feral swine.

In response to a question from Commissioner Byrum, Dr. Halstead stated that in order to hunt the pigs, you must have a deer license or a small game license during that particular season.

A brief discussion ensued regarding the legality of bringing pigs into the state from other states or countries.

In response to a question from Commissioner Byrum, Dr. Halstead and Dr. Frank stated that they are working closely with both MDNR and the industry. This is a priority and Dr. Frank stated we must be very aggressive to take care of the issue before it gets any worse.

In response to questions from Commissioner Jousma-Miller, Dr. Frank stated that they get reports of feral swine from MDNR (wildlife biologists in the field) and from citizens. The animals have been hit by cars, or they caused accidents, sometimes people see the damage they have left behind.

Commissioner Jousma-Miller commented that several years ago there were rules set up by MDNR to account for any escapes. She is concerned about MDA being brought into something that should never have become a problem. Suddenly, MDA is responsible. Dr. Frank will provide the Commission with a background report.

The Commission urged staff to push more communication to the public regarding this issue and for MDNR to provide information to the retail outlets.

Dr. Frank gave an update on Avian Influenza. Nothing has changed since the last update. Surveillance is continuing in both domestic poultry and wild birds. Across the country there have been approximately 12 wild birds that have been diagnosed with an H5N1 type Avian Influenza. It's becoming more commonplace and USDA is tracking them on their web page.

The biggest change coming for Michigan is a new program that will have a major impact on the poultry industry. There have been changes in the National Poultry Improvement Plan with a new component for low path, Avian Influenza, anything that is an H5 or H7 strain. The state needs to have surveillance for Avian Influenza, bio-security plans on the farm, monitoring of those plans by the state agency. In exchange for this enhancement of surveillance and bio-security, if we do get the disease in our domestic poultry, then USDA will pay the indemnity.

In response to a question from Commissioner Byrum, Dr. Frank stated that larger producers have plans in place, but they will need to be reviewed and approved by MDA.

Dr. Frank discussed the moratorium on the importation ban on deer and elk since April 2002 because of concerns about Chronic Wasting Disease (CWD). Since that time, other states have done surveillance for CWD in both their privately owned cervidae and in the wild free ranging cervidae. More information is now available about testing and areas where CWD may be. Also, USDA developed a federal certification program for CWD. Staff had been looking forward to having a model in place that would provide standards vigorous enough to assure safety for interstate importation and intrastate movement. But when the rule was published in July 2006, it was not what was expected. One issue was that it preempted states' rights for making a program stricter than what USDA proposed and would have only provided a year of surveillance for CWD. Michigan and many other states did not feel that was a rigorous enough standard. Because of pushback, USDA put the rule on hold and did not go into effect. They are continuing to take comments.

Some members of the cervidae industry in Michigan would like to bring animals into Michigan and move others around instate. Staff is reviewing standards with MDNR and plan to make amendments soon to the current

moratorium. Any changes would need to meet both the needs of MDA and MDNR.

Dr. Frank discussed Viral Hemorrhagic Septicemia (VHS) is a disease of fish. There are many strains of this disease. There is a new emerging strain of this disease in the Great Lakes basin. Fish have been found with this disease in Lake Erie, Lake Ontario and Lake Huron. This VHS strain is to fish what a high path Avian Influenza is to poultry or foot and mouth disease to cattle.

There is much concern across the county, so much so that USDA came out with an Executive Order on October 24, 2006 that stated that as of that date, no fish of 36 specific species listed can leave that Great Lakes states. That stopped all interstate movement from the Great Lakes states. This impacts the private aquaculture industry, wild fish and on the MDNR hatcheries. Because of more pushback, they are looking at amending the Executive Order. Modifications are expected right away, before the interim rule is published.

In response to question from Commissioner Coe about economic impact, Dr. Frank stated there are no specific numbers other than the aquaculture industry members saying they will be out of business in 30-60 days. Hatcheries would not be able to trade fish and the bait industry would be greatly affected. The industry estimates that the value of aquaculture is approximately \$2.5 million.

The biggest concern, because it is affecting many species of fish, is that it will get out of the Great Lakes area and into some of the aquaculture industries in other states. This disease has been around, but not this strain.

Theories about how the disease got here include ballast water, ships and tropical fish that have been brought in.

Commissioner Byrum questioned the logic in have both MDNR and MDA working vigorously on this issue. He stated he thought this creates additional challenges that may be able to be obviated if there was a clear line of authority.

Dr. Halstead said it involves both agencies. Meetings recently attended by Dr. Frank and another staff person were also attended by representatives from MDNR and MDNR. Director Humphries chairs the National Fish and Wildlife Association. There is leadership from both sides and we continue to put an emphasis on working together. He stated

that he was interested in any recommendations the Commission may have.

Commissioner Byrum wondered if one agency addressing some of the issues might make more sense. Commissioner Byrum pointed out that in tight budget times, using resources from two agencies working on the same issue seems duplicitous.

Commissioner Darling stated that because of the impact on agriculture economics, Livestock Industry Act gives MDA regulatory authority to address this type of situation. He stated that would be a good topic for a joint meeting with MDNR and MDA.

Director Irwin stated that there is a time for collaboration amongst different agencies when they have statutory responsibilities that they do. In some cases they have to, in other cases it is bifurcated by legislative change, policy, budget and line items. When that happens, we are either consulted or consulted, but ignored.

There are those in the legislature that need to have this conversation with us as well when we look at budgets for next year.

Dr. Halstead stated we have a lot of interest and a lot of overlap. He feels that MDNR would agree.

Director Irwin commented that this is an ongoing issue with division of labor within government.

Regarding the TB find in cervidae, Commissioner Darling stated he thinks we need to step back and ask what we can do to make the program stronger.

RAW MILK ISSUE: Katherine Fedder, Division Director, Food & Dairy Division

Ms. Fedder briefly discussed an investigation that began in the summer of 2006 on the issue of raw milk. The investigation specifically related to distribution out of a licensed retail facility with additional concerns over interstate shipment and misbranding of products. MDA staff works with the Washtenaw County and Cass County Prosecutor's office to obtain search warrants and are currently still in the investigation stage. MDA is working with three additional state agencies in other states and two federal agencies. They are working primarily now with Cass County and hope to have the investigation completed in a couple of weeks and can

present to the prosecutor's office. Hopefully the issue will be resolved in a few weeks.

This is not an issue of "cow shares" so much as interstate shipment and the distribution from a retail facility and misbranding issues.

A commitment was made several months ago to work with some of those who advocate raw milk availability as work is being done to update the food law and the dairy law. MDA is currently looking for an objective third party to facilitate that portion of the discussion.

MICHIGAN INTEGRATED FOOD & FARMING SYSTEMS (MIFFS) ACTIVITIES
UPDATE: Elaine Brown, Executive Director

Ms. Brown briefly reviewed the history of MIFFS and shared a presentation regarding activities, opportunities and partnerships with MDA. The mission of MIFFS is to advance sustainable food and farming systems that pay attention to the productivity of farms, the environmental stewardship of farms and the profitability of farms that benefit rural and urban communities in Michigan.

Core strategies include assisting family farmers, growing marketing opportunities, supporting agricultural stewardship and sustainable production and informing and influencing public policy.

In assisting family farms, MIFFS partnered with 31 organizations, including MDA, to create the Partnership for Product Agriculture. That resulted in the MSU Product Center with counselors that help farmers develop business plans and new market opportunities. In addition, MIFFS has partnered to provide pesticide training, farm production work, hoophouse construction and business management. Other MIFFS and MDA partnerships have included Pesticide Safety Training targeted to minority, Hispanic and African American farmers. MIFFS also sponsors an annual Family Farm Conference.

Regarding marketing opportunities, MIFFS was involved with the Buy Fresh, Buy Local – Select Michigan Day at the Capitol and through other partnership, MIFFS has worked on strengthening supply chains.

Ms. Brown commented on incubator kitchens in Huron and Oceana counties that will encourage entrepreneurs in testing new recipe and products for the marketplace.

She briefly discussed work being done with an organic company dealing with meat and milk products.

Ms. Brown stated that by leveraging partnerships, you can do much to encourage consumers to buy local.

MIFFS was involved with the creation of and continues to support the Michigan Agricultural Environmental Assessment Program (MAEAP). Other issues MIFFS continues to be interested in include state meat inspection and avian flu impacts on small producers. An important issue they continue to work on is helping families transition from one generation of farming to the next.

MIFFS has served with MDA on various groups including the Michigan Food Policy Council, Michigan Farmers' Market Association, Michigan Agriculture Tourism Advisory Committee.

Ms. Brown encouraged continued efforts to help small and medium sized farms stay viable.

In response to a question from Commissioner Coe, Ms. Brown stated MIFFS has a dues based membership of approximately 200 members consisting of a combination of interested citizens, small farmers and organizations. MIFFS website is www.MIFFS.org and telephone number is 517-432-0712.

She stated they are continuing to work with W.K. Kellogg for grant opportunities.

PUBLIC COMMENT

Alex Draper thanked the Commission for hearing his comments. He stated that he had talked with all the Commissioners in the last couple of days or left voice mail messages. He asked for support of looking at releasing the cervidae importation ban with some caveats. The deer and elk cervidae industry is probably one of the most regulated industry, next the milk producers, in the country. He stated the need to get interstate movement up in order to get improve breeding stock to compete on a national level. The five-year certification program I believe is a very good starting point. He asked the Commissioners to have open eyes and open minds while looking at the release of the ban.

He also commented on the continuation referendum failure of the Michigan Deer and Elk Marketing Program. He stated that the marketing program was a great opportunity. He stated that he believes one of the reasons the program failed is because the committee member

appointments are not being made by the Governor's office. Other commodities are experiencing the same problems.

Commissioner Darling stated that the Governor's office has thousands of appointments to make each year, and there does get to be a backlog, but appreciated Mr. Draper's comments.

Mr. Draper briefly discussed the TB issue, cervidae operations and feral swine. He stated the need to find the source of TB, whether it is a possum, raccoons or whatever.

Gretchen Harrison and her husband live in Arcada Township, west of Alma, in Gratiot County. She comments about a proposed hog operation in Seville Township approximately three miles from her home. She is concerned about the siting process and shared suggestions for improvements to be included in the Siting GAAMP.

She provided written comments to the Commission.

There was a brief discussion regarding the members of the siting committee and how the GAAMPs are reviewed.

Commission Byrum asked that Ms. Harrison be notified of the next GAAMP review cycle.

Rick Sprague and family have been raising white tail deer in Newaygo County since 1997. He stated they are opposed to the lifting of the import ban for cervids in Michigan. The MDNR audit documented that in the year prior to the importation ban (April 2002) 89.6 percent of the ranches and 87% of the full registration facilities did not purchase cervidae from other states.

Michigan has a voluntary certification program, but quite different from the national program. The national program is going to test animals of 12 months of age and older. Our current program is 16 months of age and older. The national program would have an annual inventory of all animals on the premises to identify them by a USDA representative or MDA. He stated that, to his knowledge, during the time of the Michigan certification program that has not been done once on a single farm, let alone on all the farms that are involved. He stated he believes you cannot be too aggressive. The thing that is saving the industry is the ban for 4-1/2 years. That is keeping the privately owned cervidae and the free ranging cervidae much safer by keeping that ban in place. It does not change anything for genetics on your herd or the kind of deer you are able

to raise, most farmers have been doing artificial insemination since the ban was placed and that has worked very well.

He cautioned against lifting the ban, he does not see any benefit to the cervidae industry. A small percentage of producers prior to the ban were actually involved in importation of animals. Nationally, there were still states that were allowed to import deer from CWD positive states and in the last year or so, there have been states added to the CWD positive list. A moose has now tested positive for CWD.

He would like to see the discussion after the national program has been in place for five years and the Michigan producers have been following that same national program for the same period of time to ensure no harm be done by prematurely lifting the ban.

RECESS:

The meeting was recessed at 12:40 p.m.

RECONVENE:

The meeting was reconvened at 1:30 p.m.

PESTICIDE & PLANT PEST MANAGEMENT DIVISION REGULATORY UPDATE: Ken Rauscher, Division Director, Pesticide & Plant Pest Management Division; Robin Rosenbaum,

Mr. Rauscher reviewed legislation that was recently signed by the Governor, 2006 PA 417, also known as the Anhydrous Ammonia Safety and Security Practices Act (AASSPs). The act calls for the Commission of Agriculture to convene a workgroup and develop and implement safety practices by March 29, 2007. He distributed a draft workgroup list.

Commissioner Byrum recused himself from the discussion.

The proposed workgroup includes the following: April Hunt, MDA; Mark Hansen, Emergency Management Coordinator and Paul Wylie, Allegan County Extension Agent, MSU College of Agriculture and Natural Resources Extension; Det./Lt. Tony Sucedo, Michigan Methamphetamine Task Force, Michigan State Police; a representative from either the Ingham County Sheriff Department or Prosecutor Office (Local Law Enforcement); John Cnudde, Crop Production Services; Bob Tadsen, Michigan Agri-Business Association; Bob Boehm, Michigan Farm Bureau; Betsey Atheron, Michigan Corn Growers Association; and Pam Guffain, The Fertilizer Institute.

MOTION: COMMISSIONER COE MOVED TO ACCEPT THE PROPOSED WORKGROUP. SECONDED BY COMMISSIONER JOUSMA-MILLER. COMMISSIONER DARLING CONCURRED. COMMISSIONER BYRUM ABSTAINED. MOTION CARRIED.

April Hunt will facilitate the workgroup. The first meeting will be in December, second meeting in February 2007 with a draft back to the Commission and a request for an endorsement at the March 2007 meeting.

Mr. Rauscher then reviewed the proposed changes to the Emerald Ash Borer (EAB) quarantine. The quarantine was last amended in December 2005. He reviewed a map with the proposed changes. In the past, the quarantine covered 21 southeast Michigan counties with the remainder of the Lower Peninsula regulated. There was a series of mini-quarantines around outliers. With the survey work done, there are now approximately 95 outliers in 38 counties. The new quarantine divides the state into three different levels of quarantine. Quarantine Level 1 prohibits the movement of regulated as material out of the Level 1 area. Quarantine Level 2 prohibits the movement of ash materials out of the Lower Peninsula to other states and allows for the free movement of ash within the Level 2 area. Quarantine Level 3 is the Upper Peninsula that is largely non-quarantined except for nursery stock. This new provision will add ash nursery stock. It will prohibit the movement into, within or out of Michigan of all ash nursery stock.

MDNR, USDA, The Michigan Association of Timbermen and The Forest Products Council all endorse the proposal.

A discussion ensued regarding federal funding for EAB. There is now an infestation and eradication program in Maryland that will require funding. Mr. Rauscher predicted that the funding for Michigan will decrease. No additional general fund dollars are used for EAB. Staffing issues were discussed.

In response to a question from Commissioner Darling, Mr. Rauscher stated that research activities are considered a high priority with approximately \$400,000 for research. That is in addition to research being done by the Forest Service and Agriculture Research Service. He briefly discussed two biological organisms that look promising. Additional work is being done with traps.

Mr. Rauscher and Ms. Rosenbaum presented a PowerPoint regarding exotic pests, challenges, approaches and recommendations as requested by the Commission.

Mr. Rauscher reviewed significant exotic species detections or establishments in Michigan from 2001-2006, the crops affected and crop value. Invasion pathways include air, rail, seaport, cars & trucks; private industry air traffic; rail cargo from both the East and West Coast; interstate nursery trade and mail order and e-commerce. Detroit is the second largest volume US border crossing. 1.6 million commercial vehicles pass through Detroit and 700,000 at Port Huron.

Many partnerships are involved with safeguarding Michigan, not only involvement with the National Plant Board, but federal partnerships with USDA and the Department of Homeland Security (DHS). USDA partnerships include the Offshore Pest Information System (OPIS). This is used around the world to gather information about pests of significance to United States agriculture. Michigan receives weekly updates. Additionally, they operate pre-clearance programs in 20 countries around the world. Materials are inspected in the originating country and cleared prior to shipment.

USDA and DHS also work at our borders with each state's interagency pest committee. Additionally, there are blitz operations at Port Huron and the Port of Detroit. Information is exchanged frequently. The National Plant Board also meets on a regular basis with frequent communication.

Early detection is the goal for containing pests. All nursery products are inspected in the field annually and nursery stock is inspected in dealerships. There is continual communication through NPB and USDA regarding detection in other states.

In addition, there is a USDA funded program called Capital Ag Pest Survey (CAPS) program that reviews annually, the most significant pest (by state) and provides funding for that survey. The Plum Pox investigation earlier this year was a CAPS survey.

Eradication efforts are expensive. Efforts include USDA quarantines and funding when it involves pests of federal significance, e.g. EAB, golden nematode in potatoes, geranium rust, etc.

Michigan participates in the Interstate Pest Control Compact, created in the 1960's. Michigan is one of 35 states that participate in the fund. It is a small amount of money, tapped for small control programs.

State funding is often unavailable, so Michigan must look to these other resources for eradication efforts.

Ms. Rosenbaum reviewed proposed changes needed to 1931 PA 189, Insect and Plant Diseases, and 1945 PA 72, Insect Pests and Plant Diseases. Both require updated language, including the appeal language. Administrative procedures need to be reviewed and more detailed. Moving quarantine and nuisance language from Act 189 to Act 72 would leave Act 189 as the Nursery and Commodity Certification Act and Act 72 would contain all the quarantines and nuisance language. Abandoned orchard language would be entirely in Act 72.

Additionally, staff is reviewing the possibility of an abatement fund. There will be ongoing discussions with industry.

The Commission will be given the opportunity to review proposed changes.

Ms. Rosenbaum reviewed resource needs for combating invasive species. Additional survey resources are needed to compliment CAPS, diagnostics, education and outreach, a Rapid Response Fund, and possibly an indemnification fund.

LABORATORY DIVISION UPDATE: Stephen Reh, Division Director, Laboratory Division; Steve McGuire, Director of Operations; Mike Pinagel, Director, Motor Fuels Quality/Weights and Measures Programs

Mr. Reh introduced Mr. McGuire and Mr. Pinagel. Mr. Reh gave an overview of both the Geagley Laboratory and the Heffron Laboratory and distributed an Activities and Performance Summary Report for FY 2006. The Geagley Laboratory was renovated in 2001 and is performing well. The Heffron Laboratory was built in 1997, is modern and up-to-date.

There are 71 staff members at Geagley including scientific staff, chemists and microbiologists, administrative and facility support staff. There are 43 staff members at the Heffron Laboratory that includes the Motor Fuel Quality Program and the Weights and Measures Program. Field staff, technical and administrative staff comprise the team in Williamston.

Mr. Reh reviewed funding sources and budget information.

The Geagley Laboratory is the primary food and agriculture laboratory in the state and provides chemical, microbiological and genetics based testing for the state of Michigan. They conduct over 400,000 tests on over

260,000 samples per year. They have a broad customer base including the regulatory divisions at MDA. The Geagley Laboratory provides laboratory support for their investigations and inspection programs. The Lab also tests horses that compete at Michigan racetracks. Other agencies served by the MDA Lab include the Michigan Liquor Control Commission, MDNR and MDEQ.

The MDA Lab also works with policing agencies within the state (for any testing involving food), the agriculture industry, and Michigan consumers and citizens.

There was a brief discussion regarding service fees and funding sources. Additional work is done through cooperative agreements with USDA, the Food & Drug Administration (FDA) and the Environmental Protection Agency (EPA).

Mr. McGuire reviewed the programs at the Geagley Laboratory. These analytical programs provide testing support for MDA's regulatory programs, state laws and federal partnerships such as: food safety, food quality and standards, agricultural inputs, animal disease surveillance, equine drug testing, motor fuel quality and plant pathology.

Techniques used include chemical, microbiological, genetics/Polymerase chain reaction (PCR), microscopy and physical determinations.

Federal programs include, with USDA, include the Pesticide Data Program (PDP), Microbiology Data Program and the Food Emergency Response Network; with FDA the Bovine Spongiform Encephalopathy (BSE) program; and with EPA the Antimicrobial program.

The Pesticide Data Program was initiated in 1992 and collects science based background data on the presence of pesticides and pathogens in foods. Michigan is one of ten states in USDA's National Network. Current commodities being tested are carrots, grapefruits and cranberries. In May, cherries will be tested. The data is used by EPA and others is risk assessment and pesticide registration programs.

The Microbiology Data Program is USDA funded and collects science based background data on the presence of pathogens in fresh foods. Michigan is one of ten states in USDA's National network. Testing is done on fresh produce such as lettuce, celery, tomatoes and sprouts for pathogenic E. coli (i.e. E. coli O157:H7), salmonella, and other indicator organisms. Funding for this program is threatened in USDA's FY07 budget.

The Food Emergency Response Network is USDA funded. The Geagley Laboratory is one of 18 state labs that make up the network. MDA works in partnership with the Michigan Department of Community Health (MDCH) laboratory with a memorandum of understanding in place that defines responsibilities. This program develops and validates new rapid methods for detecting biological threat agents in foods such as E. coli O157:H7, salmonella, staph, enterotoxin, shigella, b. anthracis and botulinum toxin.

The BSE Federal Grant Program is in the second year of a three year USDA \$250,000 grant in cooperation with the Pesticide and Plant Pest Management Division (PPPM). PPPM conducts surveys and samples. Then the staff at the Geagley Laboratory conducts testing using microscopy and PCR methodologies. The testing ensures ruminant animal feeds do not contain mammalian tissues and other non-permitted materials.

The Animal Feed/Drug Testing program deals with animal feed nutrient and labeling standards. Testing is done for mycotoxin detection, heavy metals/minerals detection, drug formulations and residues, prohibited materials, BSE, and adulterations and contaminants.

Additional pesticide and agrichemicals testing is conducted in the Pesticide Residue Lab for pesticide misuse investigations, groundwater protection, agricultural worker protection, food safety, fertilizer standards, in response to consumer complaints and police investigations.

The motor fuels quality testing program tests gasoline for quality parameters including: distillation range, octane, oxygenates, sulfur, vapor pressure, water in gasoline and consumer complaints.

The equine drug testing program analyzes animal specimens for performance altering substances. Animals are tested at pari-mutuel race tracks, county fairs and livestock shows. A strict chain of custody is required. Broad screening procedures are applied and the results must stand up to legal scrutiny.

The Geagley Laboratory also test special request samples primarily submitted by police agencies. Testing may be provided by multiple sections based on requests. Mr. McGuire noted that these types of requests have recently increased. These cases may involve a human poisoning or some kind of threat involving food in some way. They

average about one a month. Fees are assessed for services but sometimes not collected.

There was a brief discussion regarding service fees and competitive private fees. Commissioner Byrum requested staff prepare a study to determine appropriate service charges. Mr. Reh commented that in many cases other labs would not accept the sample as they are so unique. Mr. McGuire stated that they turn away approximately half of the requests received.

In the area of emergency preparedness, the Geagley Laboratory is now equipped with video surveillance, a backup electric generator, radiation detector, silent alarm system and there is a memorandum of understanding in place with MDCH and EPA.

Mr. Reh stated that the Geagley Laboratory is key laboratory resource for the state of Michigan with highly trained and skilled staff; over 60,000 square feet of laboratory space; and is a great Homeland Security Resource.

Challenges faced include increased facility support costs (up 60% since 2002, over \$250,000); possible loss of microbiology data program funding through the federal government (\$450,000); and motor fuel lab alteration at an estimated cost of \$600,000 to comply with recent amendment to Motor Fuel Quality Act to now include diesel and bio-diesel blends.

Mr. Pinagel shared the components of the Motor Fuel Quality Program, Weights and Measures Program and the Metrology Laboratory. The Motor Fuel Quality Program ensures that gasoline meets quality standards. Included is the 7.8 RVP Clean Air Program in southeast Michigan to make sure Michigan meets clean air requirements. The weights and measures program started in 1847.

He shared major program outputs for 2006 including accreditation through the National Voluntary Laboratory Accreditation Program and the National Institute of Standards and Technology. Anyone that needs accuracy and standardization in a weight or a measure comes to the Heffron Laboratory. They provide a baseline structure for the state of Michigan and all the enforcement programs. That includes automotive and high tech industries, Michigan State Police and city and county road commissions.

Consumer and industry complaints investigated in FY'06 saw increases; up 61% for short measure gas (2,181); consumer pricing was up 92%

(358); gas quality complaints decreased 3% (302) and there were 54 short measure/short weight complaints that were non-gasoline specific.

With additional funding, device testing was increased overall by 290% (26,887) with the majority being gas meters (increase of 350% testing 24,407). Overall compliance was increased by 3% with 86% compliance.

Compliance actions included 338 administrative fines with \$176,055 assessed and 634 warning letters sent. There were three felony prosecutions and \$64,760 fines/costs assessed. There were two civil lawsuits with \$1,330,000 assessed by the Attorney General's office.

Challenges for FY'07 in the Consumer Protection Section include increasing cooperative efforts and outreach in the areas of technological advances; marketplace development and standards development. In the legislative arena, there are new members to educate, statute modifications and implementation and standards development. Additionally, they will be looking beyond the motor fuel issues during the next year and prioritizing other areas of responsibility.

There was a brief discussion about MDA's lab compliance rate compared to other states.

DEER & ELK MARKETING PROGRAM CONTINUATION REFERENDUM
RESULTS: Brad Deacon, Executive Office

Mr. Deacon briefed the Commission about the recently completed continuation referendum for the Deer & Elk Marketing Program. The producers voted to end the program as of November 30, 2006. Under 1965 PA 232, upon termination of the marketing program it directs that any funds left should be refunded unless the marketing committee finds that the refundable amount is too small as to make that impracticable. They can then use the money to help with the formulation with a new marketing program or they can donate the money for agriculture research for that commodity.

Staff has been in contact with the Deer & Elk Marketing Committee members and a meeting is being scheduled see the process through.

A brief discussion ensued regarding assessments collected, referendum and audit costs.

This was the first PA 232 program that has been voted down through a regularly scheduled continuation referendum.

LEGISLATIVE REPORT: Liesl Clark, Legislative Liaison

Ms. Clark distributed a sheet containing a list of legislators based on the November 7, 2006 election.

She reviewed pending bills, public acts and commented about expected movement of bills in the next two months. Topics included animal welfare fund, abandoned orchards, Motor Fuels Quality Act and diesel fuel, modifications to the renaissance zones, amendments to Julian-Stille, Commercialization Roundtable, agriculture security areas and MAEAP.

FOOD POLICY COUNCIL FINAL REPORT: Kristin Brooks, Executive Coordinator

A copy of the final report had previously been sent to each Commissioner. Ms. Brooks reviewed a summary of the recommendations of the Michigan Food Policy Council. She provided a copy of the press release announcing the release of the report. Director Irwin spoke at the press event in Battle Creek, along with Jeff Armstrong from MSU, Elaine Brown from MIFFS and Senator Schauer. She distributed an article that appeared in the Battle Creek Enquirer.

MOTION: COMMISSIONER JOUSMA MILLER MOVED TO THANK THE W.K. KELLOGG FOUNDATION FOR WORKING TO IMPROVE MICHIGAN'S AGRI-FOOD SYSTEM THROUGH THEIR GENEROUS FINANCIAL SUPPORT OF THE MICHIGAN FOOD POLICY COUNCIL AND ITS CONTINUING EFFORTS. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

COMMISSIONERS' ISSUES

Commission of Excellence Award – The Selection Committee has recommended Debbie Mulvaney of the UP State Fair for the exhibit at the UP State Fair entitled “Growing UP Foresters.”

MOTION: COMMISSIONER BYRUM MOVED THE 2006 COMMISSION OF EXCELLENCE AWARD BE PRESENTED TO DEBBIE MULVANEY FOR HER HARD WORK AND DEDICATION TO THE “GROWING UP FORESTERS” EXHIBIT AT THE UP STATE FAIR. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

Proposed 2007 Commission of Agriculture Meeting Dates.

Commissioner Darling briefly discussed the proposed 2007 meeting dates. He asked that everyone review and forward comments to the Commission Assistant.

PUBLIC COMMENT

None.

ADJOURN

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

The meeting was adjourned at 3:12 p.m.

Attachments:

- A – Agenda
- B – Agriculture Commission Meeting Minutes, September 13, 2006
- C – Director's Report – October 2006 and November 2006
 - Michigan Renewable Fuels Commission
 - Commercialization Roundtable
- D – Proposed Establishment of Zones for Bovine Tuberculosis – 11/09/2006
 - ID Iceberg
 - Attended Presentations/Events Dates
 - Questions and Answers for Mandatory Cattle Identification Program
 - Check Stuffer – Animal Identification Notice
- E – Michigan Integrated Food & Farming Systems PowerPoint Presentation
- F – Public Comment
 - Written comments from Gretchen Harrison
 - Written comments from Triple R Ranch Whitetails
- G – MDA Exotic Pests Challenges, Approaches and Recommendations
 - Memo dated 10/30/06 from Ken Rauscher to Commission of Agriculture and Mitch Irwin regarding Invasive Species Response, Anhydrous Ammonia Safety, Emerald Ash Borer Quarantine Revisions
- H – Laboratory Division Activities and Performance Summary Report FY2006
 - Laboratory Division Update - PowerPoint Presentation
- I – Michigan Deer and Elk Marketing Program Order and Opinion of October 30, 2006
- J – Legislative Status Report November 2006
 - November 7, 2006 List of Legislators
- K – Michigan Food Policy Council – Report of Recommendations
 - Summary of Recommendations October 2006
 - Press Release dated October 12, 2006
 - Article by Andy Rathbun, The Enquirer
- L – Commissioners Issues:
 - Draft Michigan Commission of Agriculture 2007 Meeting Schedule
 - 2007 Meeting Schedule for Natural Resources Commission
 - Commission of Excellence Award Nomination
 - Draft Letter of Support of a Comprehensive Agricultural Worker Program