

**Part I:**

**Michigan  
Department of  
Agriculture  
Annual Report 2001**



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# ANNUAL REPORT 2001

## Director's Summary

The Michigan Department of Agriculture (MDA) is charged with a variety of program responsibilities that affect every person who lives, works, or simply travels through Michigan. Each division of MDA strives toward program goals that reflect the department's main priorities of:

- Food Safety and Security;
- Environmental Stewardship;
- Animal and Plant Health and Protection;
- Viable Agriculture Economy; and,
- Consumer Protection.

This annual report highlights MDA's key achievements during 2001.

The department successfully implemented and enhanced programs to protect and preserve Michigan's food and agriculture industry, and our state's natural resources. During 2001, MDA:

- Completed a two-year process to overhaul all of MDA's food safety laws and regulations covering food and dairy products. More than 25 laws and regulations were updated and consolidated into three major laws, with a greater emphasis on foodborne illness prevention.
- Increased food safety and security efforts, especially in light of potential agri-terrorism threats. This has improved MDA's ability to trace food products to their origin and to develop mitigation strategies to prevent potential pesticide or pathogen contamination.
- Initiated a new electronic inspection system, "E-inspector". This will incorporate nearly all of MDA's food inspection activities by fall of 2002.
- Implemented the Conservation Reserve Enhancement Program (CREP). During the first year, more than 36,000 acres in three priority watersheds were enrolled in the CREP program, to improve water quality, prevent soil erosion, and enhance wildlife habitat.
- Increased new enrollments and reduced the amount of land set to expire out of a program to preserve farmland and open spaces. Currently, the state holds more than 50,000 agreements with landowners through the Farm-

land & Open Spaces Act, preserving over 4.3 million acres of farmland - 40 percent of the state's total farmland.

- Protected Michigan farmers' rights to farm while ensuring sound environmental stewardship through continued review, enhancement and implementation of scientifically-based Generally Accepted Agricultural Management Practices (GAAMPs).
- Launched the Michigan Agriculture Environmental Assurance Program (MAEAP) as a part of Michigan's agricultural pollution prevention strategy to proactively help producers reduce legal and environmental risks, and to promote effective stewardship practices that comply with state and federal regulations.
- Protected Michigan's groundwater supply through programs that collect and properly dispose of outdated agricultural chemicals, and work with landowners to properly seal abandoned wells.
- Made great strides toward eradicating bovine tuberculosis from Michigan's cattle herds and regaining Michigan's TB-free status through testing and surveillance of Michigan's cattle, goats, bison and privately owned cervids. Over 760,000 animals have been tested to date.
- Strengthened Michigan's testing and diagnostic capabilities and our ability to effectively handle emerging animal and public health issues through the construction of a new Animal Health Diagnostic Laboratory and renovations at MDA's Geagley Laboratory.
- Prevented the introduction of invasive plant pests and foreign animal diseases through routine inspections of nursery stock, agricultural commodities, and animal feeds.
- Monitored insect and animal populations, and tested blood samples to identify and prevent the spread of zoonotic diseases, including West Nile Virus and other arboviruses.
- Expanded value-added initiatives and marketing efforts to attract, expand or retain food processing companies, develop new products and new domestic and international markets for Michigan agricultural producers and agri-businesses.

- Fostered alliances with producers, industry organizations and other agencies to ensure coordinated efforts for improving research opportunities and protecting markets, resources and jobs in Michigan's agriculture sector.
- Ensured gasoline quality and quantity standards through a rigorous sample testing, inspection and fraud investigation program, to protect consumers and the industry from economic losses and unfair trade practices.
- Ensured the accuracy of all weights and measures used in commerce, including scales, taxi meters, gasoline pumps, through various sampling and testing programs.
- Encouraged participation and youth involvement in agriculture at Michigan's 87 county and local fairs and two state fairs to ensure that Michigan residents stay connected to their agricultural roots.

### **MDA Regional Offices**

MDA's seven regional offices play a vital role in providing services to our customers. Located throughout the state, experts are available to offer assistance to the industry and residents quickly and efficiently. In most cases, problems are solved at a regional level, allowing businesses to continue serving their customers effectively in accordance with state laws and regulations.

## **Commission Summary**

The Michigan Commission of Agriculture is appointed by the Governor to establish policies and provide administrative direction for the Michigan Department of Agriculture. The five commission members are appointed for a four-year term, with confirmation of the Michigan Senate.

Commissioner Jordan Tatter chaired the commission in 2001. Commissioner Doug Darling served as vice-chair and Commissioner Jim Maitland served as secretary. Other commissioners serving during 2001 were Bill Pridgeon and Nora Viau, both of whom were appointed by Governor Engler at the beginning of the year. In December 2001, Commissioner Jim Maitland was re-appointed to a second four-year term by the Governor.

The Michigan Commission of Agriculture met 10 times in 2001. The commission did not meet in April or October. In keeping with the Commission's desire to meet throughout Michigan, meetings were held in East Lansing (February, March and July), Frankenmuth (June), and Escanaba (August). All other meetings were held in Lansing.

Meeting in various parts of the state increases constituent input, and allows the Commission to get first-hand information about local issues from those directly involved. The Commission met in conjunction with Agriculture and Natural Resources Week at MSU, Ag Expo at MSU, and the Upper Peninsula State Fair in Escanaba. The Commission also held a joint meeting with the Natural Resources Commission in March, 2001.

Bovine TB was the single biggest issue on the Commission agenda in 2001, followed closely by Generally Accepted Agricultural Management Practices (GAAMPs) and Right to Farm issues. Other issues of concern during 2001 were Agricultural Processing Renaissance Zones, international marketing programs, agricultural development opportunities in Michigan, the Julian-Stille Value Added Agriculture Development Act, Foot and Mouth Disease, a drought disaster, West Nile Virus, the Michigan Agricultural Environmental Assurance Program (MAEAP), laboratory renovation, and Plum Pox Virus.

Commission staff prepared meeting notices, agendas, minutes and director's reports for each meeting. Staff also prepared nine resolutions that were adopted by the Commission during the year. The Commission conducted all of its meetings and other activities within its budget of \$37,500.

## **Executive Office Summary**

MDA's Executive Office oversees the administrative and policy issues of the department. The Executive Office consists of the director, deputy director, director of agriculture policy, legislative liaison, public information officer and support staff.

The director is appointed by the Michigan Commission of Agriculture and acts as the chief executive officer of the agency. The director also works in concert with the commission on policy issues and serves as the department's liaison with the Governor's Office and the Michigan Legislature.

The deputy director is responsible for managing the department's day-to-day operations, and works closely with the department's division directors and key program staff to oversee program functions.

The director of agriculture policy works with the director and other key personnel to review, revise and propose department programs and policies. He also serves as the key contact for federal issues and congressional contacts.

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The legislative liaison is MDA's link to the Michigan Legislature and the Michigan Office of Regulatory Reform.

The public information officer serves as the department's point person and spokesperson for media contacts and the public regarding MDA programs and issues.

## Division Accomplishments

*Top division accomplishments for 2001*

### Agriculture Development Division

The Agriculture Development Division (AgD) serves as a clearinghouse for a variety of agriculture development and marketing assistance programs. The division also works to strengthen profitability for Michigan's family farms, and to enhance business opportunities for the food and agriculture industry. During 2001, AgD staff:

- Leveraged over \$5 million in federal and private funds for Michigan's agriculture industry. This represents greater than a 5:1 return on state investment. Of the sum, more than \$4 million is being directed toward Michigan's specialty crops to promote and enhance their markets, to retain or expand value-added agricultural processing or production operations in Michigan, and to provide comprehensive risk management education and information.
- Provided \$150,000 through the MDA International Market Development Grant Program to 11 Michigan food and agricultural organizations. It is estimated that these proposals will likely leverage \$318,000 worth of federal and private export development funds. The Massachusetts Institute for Social and Economic Research (MISER) export tracking service, located at the University of Massachusetts, indicated that Michigan agriculture exports have increased in markets in which state export development grants were utilized. For example:

#### Costa Rica Market Development Activities

Michigan Bean Commission received \$11,500 in MDA International Market Development Grants in FY '00 & FY '01. Exports in the first nine months of 2001 were up 2,019 percent over the first nine months of 2000, representing a 61 to 1 return on public investment.

#### German Market Development

The Michigan Cherry Committee received \$54,000 in MDA International Market Development Grants during

FY '00 & FY '01. Michigan cherry exports increased 116 percent between 1999 and 2000. Exports in the first nine months of 2001 were 67.41 percent higher than all of 2000. This represents a 44 to 1 return on public investment for FY '00 and a 31 to 1 return on public investment for FY '01.

- Protected Michigan's food and agriculture trade interests as the World Trade Organization and its 140-nation trade ministers launched a new international trade round that must be completed by 2005. The new round of negotiations provides a tremendous opportunity to break down trade barriers, reduce tariffs, improve market access, and eliminate unfair export subsidies in both agricultural and industrial sectors.
- Organized a coalition of the apple, blueberry, cherry and cranberry processing industries to conduct market research on the potential for sales to the Mexican baking industry. The market research formed the basis of a proposal to the USDA for funding to conduct market development activities targeting the Mexican baking industry. MDA proposals were awarded \$78,500 in USDA funds and the promotion is currently being implemented.
- Provided funding through the International Market Development Program which enabled the Michigan Potato Industry Commission to host a delegation of managers from Costa Rican potato chip manufacturers at the Snack Food Industry Association trade show, known as SNAXPO, in Orlando, Florida. Staff also gave a bilingual market development presentation on Michigan potatoes to Costa Rican buyers.
- Worked with various Michigan food processing companies providing environmental advice on waste management and composting issues.
- Helped 29 Michigan firms apply and qualify for \$368,850 in federal funds to reimburse their export development costs through the Midwest International Agri-Trade Council's (MIATCO) Branded Market Access Program.
- Coordinated Michigan's largest pavilion ever at the Food Marketing Institute/U.S. Food Export Showcase in Chicago. Seventeen firms exhibited in the pavilion during the largest grocery store trade show in the world.
- Leveraged \$15,000 in federal Generic Market Access Program monies, and recruited fifteen Michigan winer-

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ies, on behalf of MIATCO, to participate in the Midwest Wine Pavilion at the Pro Wein show staged in Dusseldorf, Germany, in 2001.

- Leveraged \$25,000 in federal Generic Market Access Program monies, and recruited three Michigan pickled vegetable processors, on behalf of MIATCO, to participate in a promotion of U.S. pickles in Korea. Korea is the largest export market for U.S. pickles and Michigan produces over 27 percent of pickling cucumbers in the country.
- Leveraged \$20,000 in USDA Generic Market Access Program monies, and proposed and organized a processed apple promotion targeting the Caribbean and Central American markets. Activities included trade publication advertising and participation in a food show in the Dominican Republic. Three Michigan apple processors were recruited to participate in the activity.
- Organized a briefing at the direction of the Michigan Agriculture Export Advisory (MAXA) Council, for agriculture industry leaders on the implications for Michigan's agricultural economy of China's accession into the World Trade Organization.
- Administered a \$42,363 grant from the USDA Emerging Markets Office to assist Michigan's elk velvet industry in developing an informational and educational program to lift an import ban by Korea on American elk velvet.
- Coordinated several efforts with industry groups to bring international buyers to Michigan from Costa Rica (Michigan chipping potatoes), South Korea (Michigan elk velvet), United Kingdom (Michigan wines), and Russia (Michigan blueberry plants).
- Worked with Michigan's corn industry and local and state agencies to facilitate the development of the first commercial ethanol plant in Michigan. This \$60+ million facility, located in Caro, will utilize 15 million bushels of Michigan corn annually and produce 40 million gallons of fuel ethanol. A \$4.8 million state grant and a Renaissance Zone designation providing state and local tax abatement for up to 15 years were provided as incentives to build the plant in Michigan.
- Organized an "Agricultural Development Exploring Meeting" in November, 2001, for a proposed \$47 million agricultural development known as "Millennium Egg, Inc." The development would include a 2.5 million chicken farm combined with a first-stage egg cleaning,

breaking and processing facility and a feed mill. This proposed integrated operation must meet all of Michigan's Right to Farm Generally Accepted Agricultural Management Practices (GAAMPs) for siting, animal care and manure management, along with several other state regulatory environmental standards.

- Coordinated efforts to designate the state's third Agricultural Processing Renaissance Zone (APRZ). Ultimately, the construction of a new \$9 million building adjacent to the Sunny Fresh Foods plant in Lake Odessa was approved, which will result in 25-50 new jobs and new contracts with restaurants for poached egg and breakfast burrito products.
- Assisted in the organization of the Great Lakes Pork Cooperative to seek value-added, supplemental markets for Michigan pork producers. Support and paid memberships were received from 110 pork producers from across Michigan, Indiana and Ohio.
- Assisted in the organization of the North Country Beef Producers to help make their cow-calf operations sustainable. This group formed in response to market access concerns in Northeast Michigan following the identification of bovine TB in that area.
- Organized a Michigan Conference on Organic Agriculture, March 3-4, 2001, at Michigan State University. The conference, with over 500 attendees, focused on organic production and management issues, marketing strategies, inspection and certification procedures, and the economics of organic agriculture.
- Coordinated a cooperative agreement with the U.S. Department of Agriculture Risk Management Agency to conduct risk management information and education for Michigan's specialty crop producers. In turn, MDA leads a public-private partnership with Michigan State University-Extension, Michigan Farm Bureau, Small Business Development Centers, Michigan Integrated Food and Farming Systems, and others in offering this valuable service.
- Chaired the North Central Sustainable Agriculture Research and Education Administrative Council. This program has awarded more than \$10 million in competitive grants in the 12 north central states to farmers and ranchers, researchers, educators, nonprofit organizations and others, to foster and explore sustainable agriculture.

- Coordinated review of the Final National Organic Program Rules issued by U.S. Department of Agriculture. The rules were compared and contrasted to the Michigan Organic Products Act of 2000, administered by MDA.
- Received \$47,050 from the USDA Federal State Market Improvement Program (FSMIP) to determine the impact of agriculture-based destinations on Michigan's tourism economy.

## Animal Industry Division

The Animal Industry Division (AID) safeguards the health and safety of livestock and domestic animals in Michigan. The division monitors animal diseases, diseases transmitted by animals, and potential food safety hazards, to protect the health of Michigan residents and animals. The division is responsible for administering reportable animal disease programs and overseeing toxic substance contamination incidents relating to animal health. AID also oversees the humane treatment of animals through the licensing and regulation of animal shelters, dog pounds, pet shops, and riding stables. The State Veterinarian administers the division, and supervises animal disease surveillance and eradication programs throughout the state. During 2001, AID:

- Undertook major bovine tuberculosis (TB) testing activities, including completion of testing of all dairy cattle in Michigan and the diagnosis and handling eight new TB-affected cattle herds.
- Completed major enhancements and refinements of the Bovine Tuberculosis Eradication Program, including the establishment of a high risk area in the northeast Lower Peninsula in January, 2001, and the release of the quarantine in the same area, which had been in place since January, 1999. Staff also audited and revamped the bovine TB database and filing systems; developed a system to ensure prompt indemnity and producer assistance payments; implemented an electronic ID program; and visited over 140 slaughter facilities to provide education about bovine TB and other animal diseases and to enhance submission of slaughter samples.
- Played a major role in the development of Michigan's Foot and Mouth Disease (FMD) Emergency Response plan, including a large test exercise. AID also sent a staff veterinarian to the United Kingdom to participate in their FMD eradication program.
- Successfully implemented a new privately owned cervid registration program. This eventually will be the largest registration program in the division.
- Participated in the effort to address the first-time occurrence of West Nile virus in Michigan by coordinating horse surveillance activities.
- Maintained Michigan's negative status of three important animal diseases: brucellosis, salmonella pullorum, and pseudorabies. This involved several suspect disease investigations, active disease surveillance programs, and training and registration of pullorum testers.
- Completed over 50 animal drug residue violation investigations as part of an FDA program to enhance food safety. The violations were found through animal sampling procedures in slaughter plants. These investigations determine the source of the residue and provide an opportunity to educate producers on how to avoid residues in the future.
- Received a grant from the U.S. Department of Agriculture's Food Safety Inspection Service to enhance animal production food safety. Four meetings for veterinarians and four meetings for producers were held, focusing on on-farm food safety.
- Implemented a new law requiring one-time mandatory Equine Infectious Anemia (EIA) testing of all horses in Michigan. Approximately 85,000 horses were tested in 2001. Sixteen positive horses were found. These cases led to testing of almost 300 herd mates and contact animals.
- Maintained active surveillance for Eastern Equine Encephalitis (EEE), working cooperatively with other divisions, other agencies, and Michigan State University. No horses were found to have EEE in 2001; however, there was one human fatality and four people became ill.
- Investigated 45 cases of rabies. A rabid cow was found in 2001, representing the first case of rabies in a cow in many years.
- Provided regulatory oversight for 176 pet shops (115 inspections), 198 animal shelters (149 inspections), and 100 riding stables (71 inspections).
- Performed health checks on all livestock at both the Upper Peninsula State Fair and Michigan State Fair.

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AID staff also visited numerous county fairs to provide information on animal health regulations and to stress the public health importance of hand washing before and after handling and petting animals.

## Environmental Stewardship Division

The Environmental Stewardship Division (ESD) administers programs related to environmental protection and agriculture pollution prevention. Environmental stewardship activities ensure that farming operations protect land, water resources, and public health. During 2001, the division:

- Awarded 11 grants to Conservation Districts to provide technical assistance to landowners enrolled in the Conservation Reserve Enhancement Program (CREP). As of the end of 2001, 1,689 miles of 100-foot wide filter strips (20,477 acres); 9,522 acres of wetland restorations and shallow water areas for wildlife (including 2,579 acres of wetlands and 6,943 acres of native warm season grass upland buffers); 4,776 acres of highly erodible land (into whole field conservation cover plantings); and 793 acres of windbreaks, have been enrolled in CREP.
- Developed the Permanent Conservation Easement Program (PCEP), a state-sponsored component of CREP. PCEP is a voluntary program that will compensate landowners for placing a perpetual conservation easement over the footprint of eligible CREP practices. Forty-seven landowners have applied, representing over 3,500 acres.
- Initiated the Livestock Access Program (LAP), another state-sponsored component of CREP, that provides producers 100 percent reimbursement for installation and establishment of practices to control or exclude livestock access to surface waters.
- Implemented the Agriculture Pollution Prevention Act, which gives MDA the authority to establish and administer programs to prevent pollution from agriculture and private landowner activities through voluntary, incentive-driven strategies.
- Launched the Michigan Agriculture Environmental Assurance Program's (MAEAP) Livestock System which includes educational sessions, Comprehensive Nutrient Management Plan (CNMP) assistance, and the development of farm specific verification. Over 1,200 producers

and technical assistance providers have attended Phase 1 educational sessions.

- Coordinated efforts with MAEAP partners and the Virtual University at MSU to develop a MAEAP-specific web site, [www.maeap.org](http://www.maeap.org).
- Worked one-on-one with nearly 1,000 farmers to identify groundwater risks and to develop plans to reduce those risks. Implemented Groundwater Stewardship Practices, including: 652 abandoned well closures, 479 emergency plans, 195 spill kits, 13,546 acres of custom pesticide application, 11,933 acres of pre-sidedress nitrate testing, and 3,156 acres of integrated pest management.
- Coordinated the collection and recycling of 39,194 pounds of properly rinsed pesticide containers, with 93 agri-businesses participating as collection sites; and implemented a pilot program for recycling 300-500 gallon mini-bulk pesticide containers.
- Collected, removed, and properly disposed of 144,480 pounds of pesticides and mercury in FY 2001, through the Michigan Groundwater Stewardship Program's Clean Sweep program. This represents a 44 percent increase over FY 2000. Sixteen permanent Clean Sweep sites have been established to date throughout the state.
- Sampled 129 domestic wells in FY 2001 as part of ongoing MDA baseline domestic well studies. The wells were selected at random from the population of Michigan domestic well logs. Samples were analyzed for 75 pesticides and 66 volatile organic compounds, including a number of fumigants.
- Worked with 80 conservation districts to develop countywide resource assessments and strategic plans. These documents will guide the conservation efforts of the local conservation districts for the next three years.
- Administered the Cooperative Resource Management Initiative (CRMI), which began in fiscal year 2000, by combining existing natural resource assistance programs into a comprehensive statewide program. Through CRMI, MDA assisted over 18,000 landowners and other citizens on over 200,000 acres; conducted nearly 1,400 government agency assists; facilitated over 800 comprehensive management plans on 47,000 acres; conducted nearly 700 public programs and demonstrations; and prepared 450 newspaper, newsletter, TV and radio articles and announcements. In addition, approximately

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\$5.3 million of stumps (standing timber) was put on the market as a result of CRMI technical assistance and referrals.

- Administered 33 petition projects through the intercounty drain program, benefiting 183 miles of drain and 1,225,600 acres. Approximately \$400,000 of the petition program was provided from the Federal Emergency Management Administration Hazard Mitigation Grant Program.
- Responded to 120 drain maintenance requests in 38 counties, totaling nearly 330 miles and serving almost two million acres of watershed.
- Inspected and licensed over 4,321 individual living units for migrant workers with a capacity of 23,915 workers at 905 locations. Administered \$950,000 through the migrant labor housing construction grant program, resulting in producers investing \$2.8 million in housing construction projects, with significant improvements to over 840 living units and the establishment of 162 new living units.
- Responded to 157 new environmental complaints through the Right to Farm program, an increase in the number of complaints for any 12-month period. Received 13 requests for Site Selection and Odor Control GAAMP verification, nine of which have been verified to date.
- Partnered with the Michigan Water Environment Association to develop a one-day seminar on advanced treatment and technology for biosolids land application, and assisted MSU Extension with the creation of two education pieces and a quarterly newsletter to improve awareness of the Michigan Biosolids Program and land application.
- Completed 18 farmland development rights easements covering 10 counties, permanently protecting an additional 1,585 acres.
- Processed 276 new applications to protect farmland through the Farmland Development Act, which was a significant increase over past years. The increase in participation is attributed to the enactment of Public Act 421 of 2000, which changed the amount of tax credit individuals may receive under the current Farmland Development Act (P.A. 116), and reduced the income threshold from 7 percent to 3.5 percent. Renewals in the program also increased, with more than 80 percent of the

agreements due to expire extended, compared to a typical renewal rate of 60 to 70 percent.

## **Fairs, Exhibitions, and Racing Division**

The Fairs, Exhibitions and Racing Division (FER) oversees Michigan's state and county fairs, and associated horse racing programs. FER also administers grant programs for these 88 fairs, and the horse racing industry. FER staff during 2001:

- Partnered with fair and festival management to present workshops on disaster planning, new board member training, youth horse racing, and team building.
- Led a task force to study water safety issues at fairgrounds. Six fairs took part in the initial study and each was visited prior to and during the fair.
- Implemented the Youth Horse Racing Program with 21 participants at two county fairs during the 2001 fair season.
- Offered an additional granting period for the Livestock Competitive Grant program to encourage more participation, and awarded 29 grant recipients a total of \$120,000.
- Implemented a statewide fine arts contest. Six classes were offered with a \$400 premium for each class. Judging took place at the Michigan Association of Fairs and Exhibitions Annual Convention.
- Awarded expansion grants to 19 fairs, allowing the fairs to receive up to 50 percent funding for increases in exhibitor numbers, new classes, and premium increases.
- Presented six \$1,000 awards to youth exhibitors and an additional \$21,000 in educational awards to 107 exhibitors, through the Michigan Youth Livestock Scholarship Fund.
- Coordinated the collection of \$2,360 contributed by MDA employees and purchased hogs at the livestock auctions at the UPSF and MSF.
- Received the First Place Communication Award for Advertising and Merchandise at the Michigan State Fair (MSF) from the Michigan Association of Fairs. The MSF finished in the black this year, the second time in the past 30 years that this has been accomplished.

- Raised \$196,150 at the MSF Youth Livestock. The event attracted many new participants and the Champion Steer and Champion Lamb both broke the previous year's records, selling sold for \$44,000 and \$25,000, respectively.
- Received an award of excellence for the Upper Peninsula State Fair (UPSF) at the International Association of Fairs and Exhibitions convention in Las Vegas. The UPSF finished in the black in 2001.
- Created the Youth and Technology Building at the UPSF to help youth stay in touch with contemporary times, while maintaining agricultural roots. Computer-generated programs created by youth and commercial agricultural programs were available for the public to view and operate.

## **Finance and Administrative Services Division**

The Finance and Administrative Services Division (FAS) administers business processes for the department, including budget, accounting, auditing, procurement, facility management, travel arrangements and mail operations. During 2001, FAS:

- Facilitated moves of departmental offices into the Constitution Hall in Lansing and the Saginaw and East Lansing regional offices. The October 2001 move into Constitution Hall occurred after more than two years of extensive planning and resulted in all central staff, with the exception of the Technology Division, being moved into the new facility primarily during one weekend.
- Presented, in partnership with the Michigan Department of Education and the State Employees Credit Union, several fiscal stewardship seminars for employees. Seminar topics included funding long term care, applying for financial aid, investment ideas, and many other topics. These seminars were presented as the division recognized that knowledge gained in staff's personal life carries forward into their professional lives.
- Coordinated the completion of the department's Bi-Annual Internal Control Assessment to evaluate the department's internal controls in place to safeguard assets, check accuracy and reliability of accounting data, etc. Each administrative area performed individual assessments. The findings of these individual assessments were combined and presented as the department's assessment.
- Coordinated the completion of an inventory of an organizational culture assessment for MDA. The inventory surveyed departmental staff to evaluate basic assumptions, shared values and beliefs that guide the way employees behave toward each other and their approach to their work. The division summarized the evaluations and reported the findings that were instrumental in the departments strategic planning efforts.
- Began efforts to streamline and clarify the department's contract, grant, and resource management processes. These improvements, when completed, will enable the division to effectively and efficiently support the department's fiscal management.

## **Food and Dairy Division**

The Food and Dairy Division (FDD) administers all food, beverage and dairy laws in Michigan to fulfill its mission of protecting the public health and ensuring a wholesome food supply. FDD regularly inspects food and dairy products from farms, restaurants, grocery stores and other food establishments. The division also strives to maintain a viable food industry by lending support and assistance to food producers, and functioning as an information source for consumers and stakeholders. Food safety is the division's top priority. In 2001, the division:

- Conducted 27,185 inspections at food and dairy facilities; and investigated 1,680 food-related complaints.
- Provided over 120 formal presentations on the new Michigan Food Law and Food Code targeted to specific audiences. Field inspectors, during routine inspections visited one-on-one with store managers to discuss and share training materials and answer questions about the new law. In August 2001, the enforcement policy was put into place to coincide with implementing the law.
- Collaborated with dairy farmers, milk haulers and processors, Michigan State University staff, industry organizations, and MDA staff to substantially update Michigan's dairy laws, making food safety the focal point and consolidating a number of old laws into a more comprehensive act with a uniform set of definitions and standards. The work group combined 20 laws and regulations into two updated acts: The Manufacturing Milk Law and the Grade A Milk Law. One of the major goals of this project was to adopt the 2001 revision of the federal Pasteurized Milk Ordinance which is the milk safety standard for all fifty states. The legislation was unanimously supported in the Legislature and signed into law on January 9, 2002.

- Installed the License 2000 system for food and food service licensing. The system went online in February 2002, and will provide the foundation for a corporate-wide database.
- Conducted a thorough process review of the dairy inspection system in June 2001 in preparation for the department-wide E-inspection system. Under the E-Inspector (electronic inspector) system, inspectors, using a laptop computer and specialized software, upload inspection data daily to a core database. FDD staff made major progress on developing the E-Inspection System in 2001. Phase 1 was completed in March 2002.
- Completed the first three-year round of local health department accreditation. Out of 45 local health departments, 18 received accreditation with commendation, 23 received provisional accreditation and 4 did not receive accreditation.
- Led a multi-agency initiative to evaluate the safety of water supplies at six fairs in Michigan, and to identify effective risk reduction practices. Information from this survey indicates a clear need to work with fairs to improve water safety.
- Utilized the services of the Office of Performance Excellence to develop measurable performance outcomes for all major program areas.

## Human Resources Division

The Human Resources Division (HRD) supports department personnel in a variety of program areas, including the selection, hiring and compensation of department employees, as well as the administration of employee benefits, position classification, labor relations and training. The division also oversees programs that ensure equal employment and equitable representation of groups within the department's work force. Programs include: recruitment, student programs, career seminars, reasonable accommodation coordination, sexual harassment complaint investigation, health and safety coordination, and compliance with the Americans with Disabilities Act (ADA). During 2001, the division:

- Successfully implemented the Human Resources Management Network (HRMN) with minimal adverse impact or disruption of services to MDA

- Developed and delivered an eight-hour training module to all managers and supervisors relating to key issues such as performance management, counseling and discipline grievance processing.
- Implemented a new state performance management system, including development and delivery of mandatory training for supervisors and managers, and voluntary training for employees department wide.
- Successfully implemented several department-wide training programs, which included:

A two-day Administrative Support Conference attended by approximately 85 employees.

Personal Security Training to help employees deal with concerns resulting from our move to a new building.

Timekeeper training required as a result of HRMN implementation.

- Developed a comprehensive pre-retirement packet to assist each division with the early retirements.
- Rolled out E-learning to all MDA employees.

## Laboratory Division

The Laboratory Division performs scientific and analytical services that support MDA programs. The laboratory also performs tests and offers technical consultation services for other state and federal agencies, as well as fee-based services to Michigan industry and private citizens. The Laboratory Division consists of two world-class facilities: the William C. Geagley Laboratory in East Lansing, Michigan, and the E.C. Heffron Metrology Laboratory in Williamston, Michigan.

The Geagley Laboratory performs more than 300 different kinds of biological, chemical and physical tests on a routine basis. The laboratory examines food samples, beverages, pesticides, seeds, fertilizers and feeds to ensure a safe food supply, verify labels, ensure compliance with state and federal regulations and to guarantee product quality. The Geagley Laboratory also monitors food and animal feed for contaminants, tests blood and urine from competing race horses for performance enhancing drugs, and tests livestock samples to prevent the potential spread of infectious diseases.

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The Heffron Metrology Laboratory renders ultra-precise mass, volume and length calibration certification for Michigan businesses, and houses the consumer protection programs for Weights and Measures and Motor Fuels Quality. The metrology laboratory also conducts regulatory services; calibrating standards used for enforcement by the Michigan Treasury and Agriculture departments, Michigan State Police, and all county road commissions. The tests and analyses conducted by the metrology laboratory assure that weights and measures in Michigan comply with national standards, making items eligible for international trade, and preventing economic fraud and deception.

Although testing capabilities were reduced or suspended at times during the renovation process, all vital tests were performed to meet the needs of laboratory customers. During 2001, the division:

- Began two renovation projects. The Geagley Laboratory is currently in the final phase of a two-phase renovation project, which will provide an updated, state-of-the-art facility. The Heffron Laboratory also completed an addition project, which provided much needed meeting space and an additional garage area for storage and maintenance of field equipment.
- Tested over 200,000 regulatory and service samples for brucellosis, pseudorabies, Equine Infectious Anemia, anaplasmosis, bluetongue, Johne's disease and arboviral diseases (those diseases transmitted by ticks and mosquitos such as Eastern Equine Encephalitis). Animal Disease Surveillance staff successfully completed and passed all annual proficiency and check samples, and assisted the USDA with their testing program for classical Swine Fever.
- Performed over 170,000 tests on more than 25,000 samples submitted to the Equine Drug Testing (EDT) section. Over 18,000 of the total number of samples received were submitted for Total Carbon Dioxide (TCO<sub>2</sub>) testing only. Although the number of TCO<sub>2</sub> samples increased, the number of positive TCO<sub>2</sub> reported was down, showing evidence of a strong deterrent effect. There were three violations in the Lasix quantitation program with an additional three at the warning level. This year, screening techniques were improved, resulting in a greater variety of tests per sample. All seven "double blind" test samples, from the Association of Racing Commissioners International proficiency program, were correctly identified.
- Concentrated testing efforts during renovations on two federally funded programs, the Microbiology Data Program (MDP) and the Antimicrobial Efficacy Testing. MDP tests for pathogenic organisms on fresh produce such as lettuce, celery and tomatoes destined for grocery store shelves. The Antimicrobial program tests for the efficacy of disinfectant products purported to kill bacterial organisms.
- Tested 200 samples of soft serve ice cream for coliforms, standard plate count and Listeria sp.
- Tested 77 samples of apple cider for coliforms, standard plate count and E. coli 0157:H7.
- Successfully completed and passed all proficiency samples (both in dairy and food microbiology). The Food and Beverage section met all requirements and was awarded ISO 17025 accreditation (A2LA). The section is one of the first food microbiology and chemistry testing labs in the country to be so accredited.
- Completed the official program analysis and review process for Motor Fuels Quality, and began using the new Laboratory Sample Information Management System for tracking and reporting motor fuel samples in July 2001. The Motor Fuel Quality Section reported results on 1,452 gasoline samples for standards of quality in calendar year 2001.
- Screened 114 wheat samples for the mycotoxin vomatoxin. Of those, three were found to contain vomatoxin in excess of the five parts per million guideline level.
- Purchased, validated and implemented updated technology, which allowed the Pesticide Data Program to produce data with lower detection limits and increased confidence in the confirmation of detected analytes. One new commodity and new compounds were validated and rotated into the workload in addition to an overall increase in numbers of samples analyzed. Activities continue to focus on U.S. Environmental Protection Agency's data needs under the Food Quality Protection Act.
- Analyzed 258 food safety samples, representing an increase of about 25 percent over the previous year.
- Analyzed 268 groundwater samples for the State Management Plan (SMP). Samples were analyzed for five triazines and acetochlor. In addition, the Pesticide and Environment section began screening for two

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- break-down products of Atrazine. Staff analyzed 2,208 samples for the enzyme linked immunosorbent assay (ELISA) mobile lab program, which travels to different sites around the state and analyzes water samples for Nitrate/Nitrite and for Triazines.
- Analyzed 230 samples as part of pesticide use investigations, participated in the EPA/State Spring 2001 Check Sample program, receiving a satisfactory result, and reported 22 pesticide samples for formulation.
  - Initiated an antimicrobial formulation testing program, and in cooperation with the U.S. EPA, received and reported out nine samples.
  - Tested 92,484 stone fruit trees from nurseries, research stations and orchards for plum pox virus (PPV). All the samples collected were free from PPV. This was essential for the movement of stone fruit trees in the U.S., Canada and other foreign countries.
  - Indexed and tested 12,600 scion-wood trees (apple, peach and plum) and bud-wood (cherry, apricot, nectarine and pear) for several viruses to provide disease-free trees to growers.
  - Tested 303,043 blueberry plants from two nurseries for five viruses to facilitate movement of disease-free plants within Michigan, the U.S., and other foreign countries.
  - Certified 10,250 acres of seed corn for several diseases to meet phytosanitary requirements for exports.
  - Tested rose bushes to assess the incidence of apple mosaic virus in the plants that are shipped into Michigan to ensure consumers purchase disease-free plants.
  - Worked with researchers and multinational agricultural companies, in cooperation with USDA/APHIS, to grant permits to test genetically engineered organisms in Michigan. MDA issued 45 permits for movement and release of genetically engineered organisms in the state.
  - Tested samples from nurseries in 31 counties to facilitate movement of nursery stock and other agricultural products from Michigan.
  - Tested approximately 1,985 service samples for farmers, seed companies, seed distributors and others to assess seed quality, for contract specifications and for compliance with Michigan seed quality standards. Assisted several seed suppliers with seed labeling compliance questions.
  - Tested approximately 1,730 agricultural, lawn, vegetable and flower seed samples for Michigan Seed Law compliance. A non-compliance rate of 21 percent was determined.
  - Tested 236 wild bird feed samples for compliance with Michigan Feed Regulations. A non-compliance rate of 25 percent was found due to the presence of viable noxious weed seed including morning glory, Johnson-grass, field bindweed and other serious weeds.
  - Responded to over 1,100 consumer concerns regarding substandard gasoline and/or the wrong amount of gasoline from retailers. Over 160 stations were found to be providing substandard fuels. Many investigations revealed that gasoline transport drivers made errors in their delivery of the fuel or the pump installation companies made errors in maintenance or installation of the pumps that resulted in the premium and midgrade gasolines being substandard for octane. Fines and quality violations were issued to 104 gasoline retailers and 31 wholesalers. Problematic firms and drivers received corrective action counseling to assist in achieving compliance with the state's motor fuels standards.
  - Monitored gasoline volatility at over 700 gasoline dispensing facilities to ensure that Southeast Michigan could maintain the National Ambient Air Quality Standards of less than 28 tons per day of volatile organic compounds in the atmosphere during the summer months. Three facilities found dispensing high volatility gasolines during on-site audits were required to suspend usage until the proper fuels could be obtained.
  - Inspected 13,259 weights and measures devices at over 3,800 establishments. In addition, over 960 complaints involving allegations of short weight, short measure, and violations of the state's item pricing laws were investigated. About 17 percent of the commercial devices inspected failed to meet state requirements, representing an increase of 60 percent over 2000. In Detroit, 44 percent of the taxi meters inspected failed to meet requirements. In addition, 35 percent of the lots of packaged commodities inspected failed to meet net content requirements. The high device and packaged commodity failure rates and consistently high complaint levels generated an increase in enforcement actions to achieve compliance. Staff issued 121 warnings and held

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eight compliance meetings (compared to 33 and two, respectively, in 2000). Three prosecution warrants were issued, all resulting in guilty or no contest pleas, with fines and costs in excess of \$49,000 assessed (including four consent agreements).

- Completed the first full year of National Voluntary Laboratory Accreditation Program accreditation to ISO Guide 25 at the E. C. Heffron Metrology Laboratory. ISO Guide 25 has been replaced by new requirements in ISO-17025 so the work goes on preparing for the 2002 NVLAP on-site audit to the new requirements. Michigan will be one of the first state metrology laboratories to be accredited to the new standard enhancing Michigan's standing as one of the top metrology laboratories in the country.
- Submitted the required quality documentation to the National Institute of Standards and Technology (NIST) and received the NIST Certificate of Measurement Traceability.
- Continued to serve Michigan's automotive, pharmaceutical, chemical, service and other high tech industries requiring traceable calibrations by an accredited source.

## **Marketing and Communications Division**

The Marketing and Communications Division (MAC) creates a public identity for MDA, and serves divisions within the department as an in-house advertising agency by creating marketing and communications tools and consultation. The division handles marketing opportunities, promotions, publications, special events planning, and agricultural emergencies and disasters for the department. MAC also coordinates meetings and marketing activities for the Michigan Grape and Wine Industry Council. During 2001, MAC:

- Developed a MAC strategic plan that is aligned with the current MDA strategic plan, the blueprint for all programming within the division.
- Produced, on behalf of the department, over 150 brochures, newsletters, booklets, report covers, forms, maps, fact sheets, posters, displays, certificates, promotional materials, and other printed materials using the department's new standards and tracking system.
- Distributed promotional materials and information, coordinated special events, and attended 10 trade shows

and conferences to promote Michigan food and agriculture products as part of the Select Michigan marketing campaign.

- Implemented department standards for all MDA publications, and developed a database and tracking, filing and archiving system for materials and projects developed by the department.
- Established and implemented a liaison system that assigns a specific MAC representative to each MDA division, to further assist divisions with their marketing and communications needs.
- Developed photographic murals and artwork, directional signs and banners for the department's new offices at Constitution Hall in Lansing that feature the history, diversity and importance of agriculture to Michigan.
- Served on the committee that coordinated the delivery of the 2001 Tree of Hope from Michigan's Ottawa National Forest to Washington, D.C., to serve as the holiday tree on the lawn of the nation's Capitol, including several stops for celebrations in Michigan communities along the way. Following the tragedies of September 11, 2001, the Michigan tree ceremony in Washington, D.C., was the only national holiday tree-lighting ceremony open to the public.
- Served on the Governor's Terrorism Task Force, which drafted the Michigan Three-Year Domestic Preparedness Strategy. This strategy was submitted to the U.S. Department of Justice in November of 2001 and was immediately accepted. DOJ awarded Michigan \$4.6 million to carry out the strategies identified by this committee. Michigan became only the fifth state in America to qualify for such funding.
- Developed and tested a Foot and Mouth Disease Emergency Response Plan. Over 80 participants from the Governor's office, 12 state agencies, five federal agencies, and eight members of constituent animal organizations spent the entire day playing a mock exercise scenario that involved the spread of Foot and Mouth Disease to three Michigan farms. This was a significant exercise, the largest ever held at the Michigan Emergency Operations Center, and served as a model used by the Federal Emergency Management Agency for similar exercises in other Midwest states.
- Coordinated MDA's response to 11 serious incidents involving disasters or threats to food or animal safety

- and/or agricultural economic viability. Of these incidents, one was declared an emergency by the President, two were declared disasters by the Governor, and three disaster requests were submitted to the Secretary of USDA, all of which were approved.
- Coordinated participation of department emergency management staff in two drills and one exercise for the DC Cook Nuclear Power Plant in June and July. Staff also participated in an energy emergency exercise simulating an energy shortage, similar to what has been experienced in California this summer. The MDA Director is one of four members of the Energy Emergency Policy Committee.
  - Represented MDA on the Michigan Hazard Mitigation Coordinating Council, chairing the council's Legislative Committee. The committee successfully drafted and obtained the Governor's support and signature on Executive Directive 2001-5, which requires all state agencies to consider flood hazards and floodplains as they develop policies and construct facilities.
  - Conducted a two-day training session on terrorism for all MDA emergency managers, in conjunction with the Michigan Terrorism Conference in Lansing.
  - Provided basic training in emergency planning to the managers of all seven Michigan horse race tracks under the jurisdiction of the Office of Racing Commissioner. All tracks will develop an emergency plan in 2002.
  - Coordinated eight public hearings during 2001. One involved a referendum for commodity organizations organized under Act 232, one involved changes to conservation district boundaries under Act 451, and six involved establishment or amendments to administrative rules.
  - Held three public meetings at the request of the Michigan Commission of Agriculture to gather public input on Generally Accepted Agricultural and Management Practices pending decision before the Commission.
  - Conducted a referendum for a new commodity marketing program for the state's privately owned cervidae producers. The Michigan Deer and Elk Marketing Program joined the state's 14 other legislatively-organized marketing programs when the producers approved the program with an effective date of December 1, 2001.
  - Coordinated two meetings of the Agricultural Marketing and Bargaining Board. Compiled data regarding MACMA (Michigan Agricultural Commodity Marketing Association) and non-MACMA purchases for processing of the 2001 apple and asparagus crops, and reported data to the board.
  - Processed 391 Freedom of Information Act (FOIA) requests for MDA in 2001.
  - Sponsored and coordinated participation of 18 wineries and 16 specialty food companies at the three-day Michigan Wine & Food Festival, at Meadow Brook Music Festival in Rochester Hills, attended by 10,000 people.
  - Worked with wine industry members and the Michigan Liquor Control Commission to draft language for a proposed new type of winery license, a Farm Winery license.
  - Published the *Michigan Wine Country* magazine, which was expanded to 32 pages, and a circulation of 200,000.
  - Administered grants from the Michigan Grape and Wine Industry Council totaling \$151,000 for viticulture and enology research at MSU.
  - Coordinated the 2001 Michigan State Fair Wine Competition, which incorporated a new Superintendent (Chris Cook), a new judging venue (Kellogg Center, East Lansing), judges Bob Small and Bob Thompson from California and a record number of entries.
  - Participated in approximately 35 selected wine tasting events to increase awareness of Michigan wines and the wine grape industry among consumers and key industry partners.
  - Sponsored the Heartland Wine School, a three-day educational program at Kellogg Biological Station, with over 100 attendees (35 from Michigan) attending sessions on vineyard and winery establishment.

## **Michigan Agricultural Statistics Service**

The Michigan Agricultural Statistics Service (MASS) is responsible for the official Michigan agricultural database, which was established under a formal agreement between Michigan and the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS).

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During the growing season, MASS conducts numerous surveys and routinely prepares forecasts and estimates on acreage, yield and production of Michigan field crops, fruits and vegetables. Crop-weather information is provided weekly during the growing season to reflect current crop conditions and development progress. MASS also estimates Michigan's livestock, poultry and dairy populations, and tracks related commodity prices. The estimating program provides information on agricultural land values, farm numbers, land in farms, expenditures and labor. Growing areas, production and value of Michigan's floriculture industry are published annually. Another significant survey component involves collection of agriculture pesticide use data. MASS also conducts the Michigan Census of Agriculture every five years, and supplemental surveys are periodically performed regarding aquaculture, irrigation, horticulture, and land ownership. During 2001, MASS:

- Sampled peach and plum growers and asked them to cooperate in a Plum Pox Virus detection program.
- Provided county estimates for 15 major crop and livestock commodities as part of a cooperative program with MDA. Irrigated and non-irrigated corn yield data were collected in five Southwest Michigan counties to more accurately estimate overall county yields.
- Enhanced program coverage and published information on forage and silage production and rotational grazing practices.
- Published the Michigan Rotational Fruit Inventory, a complete enumeration of all Michigan commercial fruit farms. The bulletin included the number of farms, acreage, variety, and year of planting for 12 fruit crops, with additional information on rootstocks for selected species. Estimates of the loss of apple trees due to the 2000 fire blight epidemic in Southwest Michigan were also included.
- Collected data on the number of farms, acreage, and production of Michigan vegetable crops in the fall of 2001. The results of the vegetable crop inventory will be published in the summer of 2002.
- Established the framework and received legislative support to add a turf management survey to the rotational survey program.
- Completed the annual mid-June Tart Cherry Objective Measurement Survey in which fruit counts were made

on a sample of about 520 tart cherry trees across the state. The data provided current crop production statistics for the Michigan tart cherry industry.

- Provided support to the Cherry Industry Administrative Board (CIAB) in the areas of administration and field production monitoring, for the tart cherry diversion program. CIAB regulates the amount of fruit entering the market in years when supply exceeds demand. National Association of State Departments of Agriculture (NASDA) enumerators, working through MASS, conduct the field work for this program.
- Collected chemical use information on nursery and greenhouse crops, corn, and six fruit crops. Survey data will be used to evaluate chemical use levels for the EPA, to use in setting worker safety standards and in administering the Food Quality Protection Act.
- Published the results of the Agricultural Economics and Land Ownership Survey (AELOS), a follow-up to the 1997 Census of Agriculture. This demographic information on farm operators and landlords was last collected in 1988.
- Released the annual statistics bulletin, which included details of the 2000 production, stocks, inventory, disposition, utilization and prices of agricultural commodities. The publication included MDA's annual report, Michigan rankings, record highs and lows, county estimates, and chemical usage data. This publication was formatted and printed with an automated system that greatly reduced development time and provided users quicker access to the data.
- Worked with the National Association of State Departments of Agriculture (NASDA), using telephone and field enumerator staff located throughout the state and employed by NASDA, to assist in collecting data from farmers and agri-businesses. NASDA enumerators also assisted MDA in screening livestock to be tested for bovine tuberculosis in the Upper Peninsula.

## **The Office of Racing Commissioner**

The Office of Racing Commissioner (ORC) is an independent agency within MDA that regulates pari-mutuel horse racing in Michigan, in accordance with the state's Horse Racing Law and the rules of the Racing Commissioner.

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The Racing Commissioner, appointed by the Governor for a four-year term, prescribes rules, regulations and conditions under which all pari-mutuel horse racing meets are conducted in the state.

The ORC allocates race dates and issues track, race meeting and occupational licenses. The office also collects license and track revenues, appoints stewards and veterinarians to represent the state, approves track-appointed officials, and monitors the daily conduct of horse racing. ORC also conducts equine and human drug testing programs, and investigates any irregularities in racing that may lead to formal hearings and sanctions. ORC functions primarily as a regulatory agency, but also focuses on improving and promoting horse racing in Michigan. During 2001, ORC:

- Upgraded technology and increased the quality and quantity of equine drug tests administered and processed through MDA's Geagley Laboratory.
- Developed a partnership with the Michigan State Police resulting in increased collaboration, and a detective/sargeant being assigned full-time to the ORC to assist with the investigation activities of regulation agents.
- Partnered with tracks to establish a counseling program for racetrack employees.
- Licensed pari-mutuel tellers for the first time to continue improvements in the regulation of pari-mutuel wagering.
- Received a "Top Ten Newsmaker of the Year Award" from Crain's Detroit Business magazine recognizing a strong presence in the media.
- Promoted the horse racing industry with exhibits at the Michigan State Fair, Michigan State University Pavilion and Novi Expo Center.
- Partnered with the Michigan Department of Agriculture and the Michigan Harness Horsemen's Association to conduct the Inaugural Michigan Sire Stakes Million Dollar Night at Hazel Park Harness Raceway.

## **Pesticide and Plant Pest Management Division**

The Pesticide and Plant Pest Management Division (PPMD) enforces the state's pesticide laws, as well as numerous agricultural laws and regulations designed to

protect Michigan consumers, the environment, and Michigan's agricultural industries. In cooperation with U.S. Environmental Protection Agency (EPA), the division enforces laws and oversees programs designed to assure compliance with pesticide statutes and to protect human health and the environment from the potential risks associated with improper pesticide use. PPMD also implements laws and regulations designed to certify nursery stock and other plant products for interstate shipment, and agricultural commodities for export. The division conducts proactive surveys and inspections designed to protect against invasive species that have the potential to impact Michigan. In addition, it also conducts inspections and certifies grades of fruits and vegetables, and ensures the safety and proper labeling of agricultural commodities such as animal feeds, seeds, fertilizer, and animal remedies in partnership with U.S. Department of Agriculture. During 2001, the division:

- Conducted numerous pesticide product and use-related inspections and investigations, including 194 pesticide use investigations, 48 of which occurred in agricultural situations; 180 planned use inspections, 110 of which occurred at commercial applicator facilities; 52 pesticide-producing establishment inspections; 21 federal marketplace inspections; 88 restricted use pesticide audits and 1,126 compliance monitoring contacts/inspections.
- Assisted Michigan growers by requesting emergency pesticide registrations, in accordance with Section 18 of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), for pest control on crops where pesticides were not registered and significant crop loss was expected. EPA granted 20 emergency exemptions supporting a variety of Michigan commodities. Michigan ranks among the top 10 states in the nation in this area of producer assistance.
- Sampled and monitored five commodities, including blueberries, strawberries, grapes, raspberries, and carrots and cranberry bog water as part of the 2001 pesticide residue monitoring project. This data provides a critical link between actual pesticide use and resulting residues in raw commodities. This project initiated a review of new pesticide products emerging as safer alternatives and matched residue information on these new products to MSU research projects aimed at measuring pest control efficacy.

- Administered 14,975 examinations to individuals seeking pesticide applicator certification or registration credentials.
- Implemented the State Arbovirus Emergency Response Plan to deal with the detection of West Nile Virus (WNV) in Michigan in 2001. This plan also maintained a surveillance program looking for other arboviral diseases, including Eastern Equine Encephalitis, St. Louis encephalitis, and WNV.
- Prepared the final draft of amendments to Act 451, Part 83, Pesticide Control, which was introduced in the Senate as Senate Bill 989 in December, 2001. Significant changes include e-commerce regulatory authority for pesticide registration requirements, prohibitions for selling pesticides for off label uses, and felony provisions for illegal use of pesticides with intent to cause harm to human health or the environment.
- Prepared final drafts of Regulation 636, Pesticide Applicators, and held a public hearing in December, 2001. Significant changes add two new categories for certification of applicators performing pest control on domestic animals and treating sewers for invading tree roots.
- Performed approximately 10,616 shipping point inspections on 97,000 tons of produce prior to shipment from Michigan packinghouses in 2001. Staff also conducting 1,240 inspections on 11,000 tons of produce at Michigan markets, and 21,681 processor inspections, applying USDA grades to 200,000 tons of produce destined for processing in Michigan.
- Began implementation of the Michigan Organic Products Act, which became effective October 1, 2001. Under the existing federal law and new national standards, any state with an organic program is required to apply to USDA for approval of the new state program.
- Conducted 630 inspections of commercial feeds and the processes involved in their production, distribution, and storage. Inspection staff discovered 577 feed law violations, which resulted in the removal of \$301,537 worth of feed from distribution.
- Conducted 195 medicated livestock feed inspections at 118 of the approximately 290 feed mills in the state.
- Worked in cooperation with state agencies and stakeholders to advise agricultural dealers and farmers on how they can help deter illicit use of anhydrous ammonia, a key ingredient in the illegal production of methamphetamine, while protecting its safe, intended use.
- Inspected and registered over 240 businesses storing bulk liquid agricultural chemicals, to help prevent the possible contamination of Michigan's natural resources by agri-chemicals.
- Provided cost-share and technical support to 21 farms across the state in constructing secondary containment facilities around already existing on-farm bulk liquid fertilizer tanks. These demonstration sites are being used for educational purposes to illustrate a variety of fertilizer containment operations for sound on-farm storage.
- Collected approximately 1,460 seed samples, including approximately 467 lawn/turf and mixed pasture, 71 flower and vegetable seed, and 922 field or agricultural seed. MDA inspectors also issued 544 violation notices and removed over \$1.6 million worth of violative seed products from the channels of trade.
- Collected samples from 10,250 acres of seed corn for testing for several diseases to meet phytosanitary requirements for exports.
- Inspected nearly 14,000 acres of nursery stock and perennials produced by 2,165 licensed growers through the division's nursery program in support of an industry with estimated annual sales exceeding \$710 million.
- Surveyed nurseries in 31 counties to facilitate movement of nursery stock and other agricultural products from Michigan.
- Inspected 17,680 acres of Christmas trees, a crop valued at over \$38 million, for compliance with federal gypsy moth and pine shoot beetle quarantines.
- Issued over 2,000 phytosanitary certificates for interstate and international shipment of commodities, providing continued access to interstate and world markets for Michigan growers. Michigan commodities were shipped to nearly 70 countries worldwide in 2001.
- Coordinated a statewide response to the presence of gypsy moth in Michigan through suppression activities, an educational component, biological control efforts and a "Slow the Spread" project. Program efforts resulted in the protection of an estimated 6,700 residents and 55,000 people visiting Michigan's recreational areas, and

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encompassed six counties and nearly 6,000 acres in Michigan Lower Peninsula.

- Conducted specific detection surveys at 432 nursery and warehouse locations to assure freedom from Asian long-horned beetle (ALB). All locations inspected were negative for ALB.
- Inspected 233 locations statewide for Hemlock Woolly Adelgid (HWA). All locations were found negative for this pest. MDA established a HWA Exterior Quarantine to regulate the movement of Hemlock from HWA-infested states into Michigan.
- Collected and tested a total of 46,322 laboratory samples in 2001 for Plum Pox Virus (PPV). Samples collected were comprised of peach, plum, apricot, and nectarine leaf samples from 1,798 acres belonging to 144 growers located in 27 counties. All samples were negative for PPV.

## Technology Services Division

To keep pace with the changing e-commerce world and meet the department's technological needs, MDA divided the former Finance and Technology Division into two divisions, Technology Services Division (TSD) and Finance and Administrative Services Division. TSD develops and deploys new technology throughout the department, allowing program areas to focus more time and attention on their primary responsibilities. TSD also provides technical support on computer and software related problems, and maintains the department's network servers. In 2001, TSD:

- Carried out department-wide upgrades of desktop software to enhance productivity and protect computer data.
- In support of the department's move to Constitution Hall, planned and successfully enacted the move of desktops and network servers to Constitution Hall. In addition, TSD planned, ordered, outfitted and installed a new server room, computer setup room, and training room at Constitution Hall.
- Initiated and worked with an approved vendor to implement the License 2000 project including setting up the software and server, creating a database, training users and conducting acceptance testing. License 2000 creates a central database to hold information and facilitate

applications and renewals for the department's licensing programs.

- Participated in activities to revise and update the Information Technology Strategic Plan.
- Upgraded several data communication links to the regional offices, increasing data transfer rates and enhancing productivity.
- Worked with staff from e-Michigan to prepare and design the MDA Internet web site for migration to the Vignette application and [www.Michigan.gov](http://www.Michigan.gov).
- Staffed a department-wide help desk that assisted employees in solving over 1,000 computer-related problems.

## Conclusion

As you can see, the Michigan Department of Agriculture plays an extensive role in the daily lives of Michigan residents. The administration and staff of MDA respectfully submit this report to the citizens of Michigan. We hope you find it informative and helpful.

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