



Department of
AGRICULTURE

Michigan Department of Agriculture

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Dairy Digest

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Updated Dairy Fees and Fines

Due to significant funding cuts in MDA's FY10 budget, a workgroup of stakeholders was assembled to explore options and develop a plan to address the revenue shortfall in the Dairy Inspection Program. The workgroup reached consensus to update dairy fees and fines to generate an estimated \$100,000 in revenue for the program, which required amendments to the Grade A Milk Law of 2001 and the Manufacturing Milk Law of 2001. The law amendments addressing the new dairy fees and fines were signed into law by Governor Granholm on March 31, 2010. In addition, MDA pledged to reduce program expenses by \$200,000 through cost saving measures and by eliminating one dairy inspector.

The changes include:

- License fee(s) increased for all Michigan dairy licensees (including dairy plants, dairy farms, milk haulers, milk trucks, single service manufacturers, and certified industry farm inspectors).
- Dairy processing plants: License fee(s) increased based on volume of annual milk receipts.
- Dairy farms: Annual permit fee(s) increased with a portion of the fee waived if the farm's inspection program is covered by a certified industry farm inspector.
- On-site plan review: Fee established for new facilities when an on-site plan review consultation is requested.
- Re-inspections: Fee established when two or more consecutive re-inspections are required for non-compliance. The fee is \$300 for a Grade A licensee/permittee and \$150 for a manufacturing licensee/permittee.
- Positive drug residues: A fine will be assessed to dairy farms with a positive drug residue, in addition to paying for the value of the contaminated load. The fine is \$300 for the first offense for Grade A producers, with the fine doubling for each additional offense within a 12-month period.

Please call (800) 292-3939 if you would like more information.

FDA's New Reportable Food Registry

The Reportable Food Registry (RFR) is an electronic portal for the food processing industry to report when there is reasonable probability an article of food will cause serious adverse health effects. The RFR helps FDA better protect public health by tracking patterns and targeting inspections and applies to all FDA-regulated categories of food and feed, except dietary supplements and infant formula.

Who Should Use the Reportable Food Registry?

Food establishments that manufacture, process, pack, or hold food for human or animal consumption in the U.S. under Section 415(a) of the Food, Drug & Cosmetics Act (21 U.S.C. 350d) are required to report when there is a reasonable probability the use of, or exposure to, an article of food will cause serious adverse health effects or death to humans or animals.

Where Should Consumers, Food Retailers and Food Service Operators Report a Problem with Food?

In emergencies, consumers, food retailers, and food service operators should call FDA at (301) 443-1240.

Where Should Food Processors Report a Problem with a Food?

The RFR electronic portal is accessible at <http://rfr.fda.gov>.

Statistics and Enforcement

MDA dairy inspectors conduct milk safety inspections on all of Michigan's:

- 2,299 farms
- 75 dairy processing plants
- 837 milk haulers
- 650 milk trucks, as well as other dairy facilities

In FY09, dairy law violations resulted in:

- 433 enforcement letters
- 114 permit suspensions
- 13 compliance meetings
- 3 informal hearings
- 5 seizures
- \$13,850 of administrative fines collected by MDA
- \$311,368 of seized products
- 2,756,187 lbs. of contaminated milk disposed (valued at \$261,838)

Mycotoxin Awareness in Michigan

Mycotoxins are harmful natural toxins produced by molds and affect grains fed to livestock. The wet weather and delayed corn harvest last fall raises concerns regarding the quality of corn that may be used for livestock feed. Special care must be taken with distillers grains. The processing of contaminated corn to make ethanol effectively concentrates mycotoxins to about three times their original concentration. Distillers grains eaten by livestock should be tested and discarded in a landfill if contaminated.

In addition to the potential for enhanced mycotoxin levels in distillers grains, dairy producers should be aware cotton seed may be contaminated with the mycotoxin Aflatoxin B1 and should be tested on a regular basis. Aflatoxin B1 can be metabolized by dairy cows into Aflatoxin M1, which can be excreted into milk. Since Aflatoxin M1 is recognized as a probable human carcinogen, its concentration limits in milk are strictly enforced in Michigan.

MDA's Feed Program has stepped up its efforts to survey a variety of feed types for mycotoxins posing undue risks in 2010. Toxic levels of mycotoxins that can present risks to humans when consumed in animal-based foods may not have made the animal sick when originally consumed as part of the ration, so observing the animal for signs of distress or illness is not reliable as an indicator of the presence or absence of mycotoxins.

New Technology

Michigan's dairy industry is one of the most innovative in the nation and despite tough economic times, Michigan's dairy farmers are turning to new technologies to find ways to save on labor and production costs.

Michigan now has three dairy farms using robotic milking systems. The installation of these robotic milkers has required extensive research and coordination between dairy producers, MDA, and the robot manufacturers.



Waterbeds in free stalls are gaining in popularity as producers look for alternatives to sand bedding which can be difficult for some manure management systems to handle.

Sand-manure separation systems (sand washing systems) are appearing on more dairy farms as producers look for ways to reduce bedding costs and manure application problems.

Milk Processing Facilities

MDA has been working closely with dairy farmers and others who are interested in starting up local, value-added milk processing facilities. These facilities include manufacturing of goat and sheep cheese as well as on-

farm pasteurization and milk bottling facilities. The dairy inspectors work with these entrepreneurs from the initial planning stage all the way through construction and start up. A continuing inspection program of these facilities helps assure a smooth transition from planning to the production of safe, wholesome dairy products.

Dairy Processing Plant Expansions

In 2009, MDA's dairy inspectors worked with several existing dairy processing facilities during their expansions from start to finish. These processing plant expansions were designed to increase production capabilities and efficiencies at the various plants. Both traditional and state-of-the-art equipment was reviewed by MDA for compliance with milk safety requirements. These dairy plant expansions indicate the dairy industry's faith in a continuing, plentiful supply of high quality milk in Michigan and reinforce the reputation for cooperation that MDA is known for.

MDA Contact Information

Effective October 1, 2009, MDA has closed all of its regional offices to reduce costs. Customers calling the regional offices are being redirected to a toll-free number in Lansing: (800) 292-3939. Inquiries can be sent via e-mail to mda-dairyinfo@michigan.gov.

Dairy Regions



e-mail: mda-dairyinfo@michigan.gov
www.michigan.gov/mda-dairy