MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT

Byron Center Township Board Conference Room 8085 Byron Center Avenue SW Byron Center, MI 49315

NOVEMBER 6, 2019 TENTATIVE AGENDA

9:00 a.m.	1.	Call to Order and Roll Call	
	2.	Approval of Agenda (action item)	
	3.	Approval of Minutes from the September 18, 2019, Commission of Agriculture and Rural Development Meeting (action item)	
	4.	Proposed 2020 Meeting Schedule (action item)	
9:05 a.m.	5.	Commissioner Comments and Travel (action item)	
9:10 a.m.	6.	 Commissioner Issues (action item) Phil Korson Retirement Resolution Tom Benner Retirement Resolution 	
9:15 a.m.	7.	Director's Report	
9:25 a.m.	8.	Public Comment on Agenda Items In accordance with the Public Appearance Guidelines in the Commission Policy Manual, individuals wishing to address the Commission must complete a Public Appearance Card and will be allowed up to three minutes for their presentation. Documents distributed at the meeting will be considered public documents and are subject to provisions of the Freedom of Information Act. The public comment time provides the public an opportunity to speak; the Commission will not necessarily respond to the public comment.	
9:35 a.m.	9.	Federal Food and Agriculture Industry Update: Jessica Brousseau, Deputy Director, Federal Affairs Office of Governor Whitmer (information only)	
9:55 a.m.	10.	Generally Accepted Agricultural and Management Practices (GAAMPs) Process and Introduction of Proposed 2020 GAAMPs: Jim Johnson, Division Director, and Ben Tirrell, Right to Farm Program Manager, Environmental Stewardship Division (information only)	
10:20 a.m.	11.	Commission Policy No. 7 – Environmental Stewardship and Farmland Preservation: Jim Johnson, Division Director, Environmental Stewardship Division (action item)	
10:30		Break	

10:40 a.m.	12.	Nursery Inspection Fees: Mike Philip, Division Director, Pesticide and Plant Pest Management Division (action item)
10:45 a.m.	13.	Industrial Hemp and Marijuana Update: Gina Alessandri, Director, Industrial Hemp (information only)
11:10 a.m.	14.	Produce Safety Rule Inspections Update : Amber Matulis, Food Safety Modernization Unit Manager, and Kristin Esch, Produce Safety Specialist, Food and Dairy Division (information only)
11:30 a.m.	15.	Food and Agriculture Investment Fund Request: Jodi Gruner, Economic and Community Development Specialist, Agriculture Development Division (action item)
11:50 a.m.	16.	Budget Update : Maria Tyszkiewicz, Chief Budget/Financial Officer (information only)
12:05 p.m.	17.	Legislative Update: Nathan Kark, Legislative Liaison (information only)
12:15 p.m.	18.	Public Comment In accordance with the Public Appearance Guidelines in the Commission Policy Manual, individuals wishing to address the Commission will be allowed up to three minutes for their presentation. Documents distributed at the meeting will be considered public documents and are subject to provisions of the Freedom of Information Act. The public comment time provides the public an opportunity to speak; the Commission will not necessarily respond to the public comment.
12:25 p.m.	19.	Adjourn (action item)



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

GARY MCDOWELL DIRECTOR

Michigan Commission of Agriculture and Rural Development Proposed 2020 Meeting Schedule

Wed., Jan. 22, 2020 9:00 a.m.	Lansing Area – TBD
Wed., March 25, 2020 9:00 a.m.	Lansing Area – TBD
Wed., May 13, 2020 9:00 a.m.	TBD
Wed., July 15, 2020 9:00 a.m.	TBD
Wed. Sept. 16, 2020 9:00 a.m.	TBD
Wed., Nov. 4, 2020 9:00 a.m.	TBD

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT RESOLUTION COMMENDING

THOMAS BENNER

The Michigan Commission of Agriculture and Rural Development is pleased to honor Thomas Benner upon his retirement from the Michigan Department of Agriculture and Rural Development (MDARD) on November 1, 2019.

The son of a farmer, Tom is a life-long resident of Michigan. In 1977, he received his Bachelor of Science degree from Michigan State University in Horticulture. Tom began his career in state government with the Michigan Department of Agriculture in 1992 as a Plant Industry Field Scientist for the Pesticide and Plant Pest Management Division (PPPMD) and was promoted to Pesticide Registration Coordinator in May 1999. From 2002 to September 2004, he served as the Pesticide Enforcement Manager, before transferring to the MDARD Regional Office in Southfield to assume the role of regional supervisor. In 2008, he was asked to return to Lansing for a "temporary" assignment involving the Michigan Business One Stop project, for which he is very proud of the accomplishment of helping MDARD customers submit 16,845 license applications online. Tom was MDARD's primary IT liaison with the Michigan Department of Technology, Management, and Budget from 2009 until 2017, when he transferred to his current position in PPPMD. In his current role, he has served as the product owner for PPPMD's new inspection system, INTELS. Other system development projects in which Tom played a key role include PRTS, IMPACT, OPES, FSCS, and Accela. After returning to Lansing, he also became one of MDARD's first certified Lean Process Improvement facilitators, as well as a certified DiSC facilitator. Tom is also a charter member of the ToastNotables Toast Masters Club.

In his many roles, Tom has contributed positively to the culture and accomplishments of the department through his leadership, knowledge, engagement, understanding, friendliness, mentorship, and customer service.

Tom looks forward to many retirement years with his partner, Jim, enjoying time with their family and friends, spending the winter months at their condominium in the Palm Springs, California area, and <u>finally</u> being able to travel. He will miss responding to the countless MDA-Info and MDA-Complaint emails.

The Michigan Commission of Agriculture and Rural Development thanks Thomas Benner for his 27 years of dedicated and loyal service to the Michigan Department of Agriculture and Rural Development, the food and agriculture industry, and to the people of the State of Michigan. The Commission joins Tom's family, friends, and colleagues in wishing him a long and happy retirement and great success with future endeavors.

June S. Meahum

Adopted October 21, 2019 Lansing, Michigan

Trever Meachum, Chair

MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT RESOLUTION COMMENDING PHILIP J. KORSON II

The Michigan Commission of Agriculture and Rural Development is pleased to recognize and honor Philip J. Korson II for his dedicated service to the Michigan agriculture industry. Phil has worked in the cherry industry over 40 years and has developed strong working relationships with the grower community, members of Congress, the Michigan State Legislature, marketers, and key stakeholders within Michigan's food and agriculture sector. He also has considerable experience working to expand markets for cherry growers both domestically and internationally.

Mr. Korson is the President and Managing Director of the Cherry Marketing Institute (CMI), a national promotion, research and market development program funded by U.S. tart cherry growers since 1989. He is also the Executive Director of the Michigan Cherry Committee and Michigan Association of Cherry Producers since 1988.

Phil began his agriculture career as a cherry grower. In 1977, he became a field man for the Michigan Agriculture Cooperative Marketing Association (MACMA). Later he worked with asparagus, plum and apple growers in west central and northwest Michigan. In 1986, he became the assistant manager of the cherry, asparagus and plum programs for MACMA.

Phil has professionally assisted the Michigan Department of Agriculture and Rural Development in many roles including chair of the Minor Crop Farm Alliance, council member of the Pesticide Advisory Council, and the Michigan Environmental Assurance Program Advisory Council. Phil also serves on the IR-4 Commodity Liaison Committee, Cherry Task Force, National Specialty Crop Farm Bill Coalition Working Group, EPA Farm & Ranch Advisory Committee, and the Specialty Crop Advisory Board.

For his exceptional service to agriculture, Phil has received many awards and recognition including: Distinguished Service to the Cherry Industry, Leelanau County Horticulture Society; Distinguished Service to the Michigan Fruit Industry, Michigan State Horticulture Society; Michigan State University Distinguished Service Award; Cherry Industry Person of the Year, National Cherry Festival; and Friends of Michigan State University Extension Leadership Award, Cherry Marketing Institute.

Phil owns and operates Clearview Orchards, a family farm which specializes in u-pick apples, peaches, pumpkins and other fall crops. He is a graduate of Michigan State University. Phil and his family reside in Haslett, Michigan.

The Michigan Commission of Agriculture and Rural Development commends Philip J. Korson II for his outstanding service and advocacy for the Michigan agriculture industry.

Adopted November 6, 2019 Lansing, Michigan

Trever Meachum Commission Chair

Gary McDowell November 6, 2019 Commission Meeting

Issues of Interest

All Supervisors Meeting (Oct. 17)	MI Youth Challenge Academy (Oct. 21)
Hemp Farm Tour (Oct. 30)	Employee Awards Ceremony (Nov. 5)
Eastern Equine Encephalitis	Ag Housing Workgroup

Upcoming Meetings

Nov. 7	Speak at MABA Leadership Program (Lansing)
Nov. 8	QOL Directors Meeting
Nov. 8	Michigan Homeland Protection Board Meeting
Nov. 13	Border Gateway Summit (Livonia)
Nov. 18	MABA/EGLE/MDARD Quarterly Meeting
Nov. 19	DTMB/MDARD Partnership Meeting
Nov. 20	Christmas Tree Event (Tannenbaum Farms, Mason)
Nov. 12	MDHHS Director Gordon (meet/greet)
Nov. 25	MDARD Leadership Team Meeting
Nov. 26	Sustainability/Climate Workgroup Meeting
Dec. 4	MFB Annual Conference - Reception/Banquet (Grand Rapids)
Dec. 10	Nature Conservancy – Ag Conservation Awards (Bay City)
Dec. 11	Lansing Ag Club (Radisson)
Dec. 11	GL EXPO Banquet (Grand Rapids)
Dec. 13	QOL Directors Meeting
Dec. 13	Phil Korson Retirement Open House (Eagle Eye)

Federal Agriculture Update

Jessica Brousseau

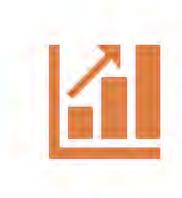
Deputy Director, Federal Affairs

Office of Governor Whitmer

November 6, 2019



Concerning Trends



U.S. farm bankruptcies surged 24% last month amid strains from trade disputes & bad weather



14 bankruptcies reported in Michigan in Sept., a 35% increase over last year



USDA forecast: ~40% of 2019 farm profit to come from trade aid, disaster assistance, fed subsidies & insurance payments

Trade

USMCA

China

Japan

MFP

USMCA



Watching negotiations closely



Timeline uncertain, but a deal appears within reach



Dems & Labor urging changes to enforcement provisions



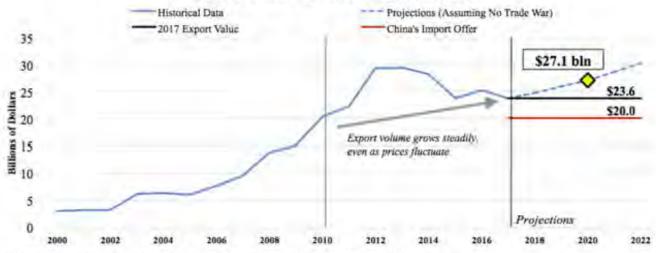
Running out of legislative days, but we could see votes on ratification this year

China Deal?

 China to buy \$20B in ag goods in return for the President calling off his planned Oct. tariff increase, from 25% to 30%, on \$250B in imports, & abandoning new 15% tariffs on \$112B in imports scheduled for Dec.

U.S. Agricultural Exports to China

(Values After 2017 Projected Assuming No Trade War)

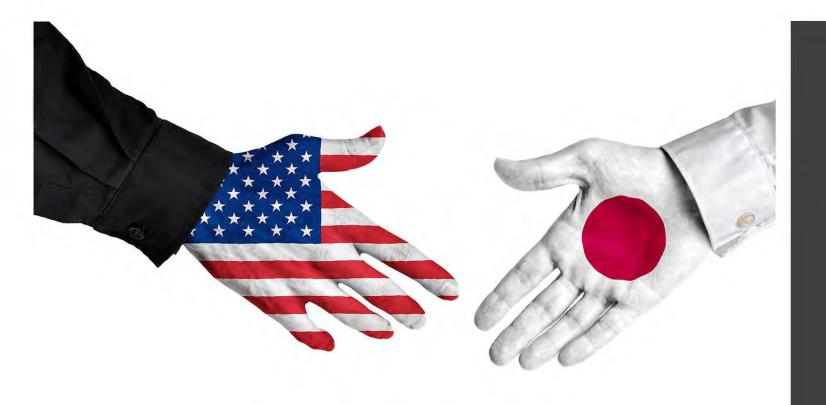


Notes: Values include expores both to Mainland China and Hong Kong, as aggregated by the U.S. Department of Agriculture. Values exclude those categorized as "agriculture related products." Projections are made by extrapolating the annualized volume growth rates of Chinese imports of all agricultural products between 2010 and 2017. Annualized rates in excess of 2019, of theire "2010 are capped at the aforementioned values. Soy-volume growth rates are revised slightly downward to match Chinese government projections from 2017 for total impact volume growth through 2022. For projections after 2018, all product prices are assumed to equal 2018 levels.

Data sources: U.S. Department of Agriculture. Chinese government estimates

Benn Steil & Benjamin Della Rocca cfr.org/blog/geo-graphics

Source: Council on Foreign Relations



U.S. Japan Trade Deal

- The Oct. trade deal will reportedly slash tariffs on \$7B of U.S. ag products (cheese, wine, beef, pork, wheat and almonds), allowing farmers the same access as TPP competitors in New Zealand, Australia and Canada.
- In return, the U.S will lower tariffs on a host of Japanese industrial goods.



Market Facilitation Program

\$14B for eligible producers impacted by ongoing trade disputes.

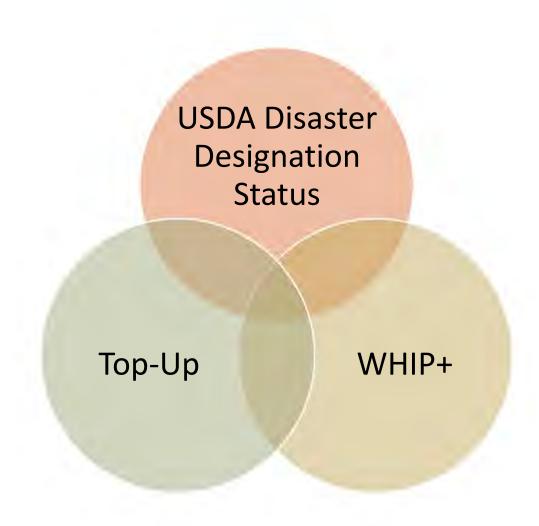
Up to three payments:

- First Payments disbursed
- Second November
- Third January

Second & third payments will be based on market and trade conditions.

Applications open until 12/6. County rates can be found on the FSA website.

Disaster Assistance



USDA Disaster Designation



On June 19, Gov. Whitmer requested a statewide USDA Secretarial Disaster Designation



In late September, MI FSA recommended 62 counties be granted the designation



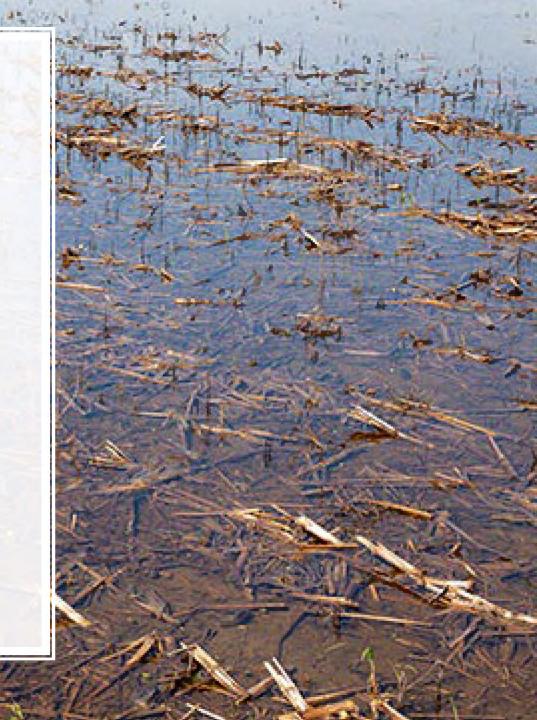
Additional counties under consideration



42 counties pending before national office; 20 held back until harvest is complete, per FSA

Disaster Relief Act of 2019

- \$3B to offset losses from 2018 & 2019 disasters, inc. losses from prevented planting of insured crops in CY 2019.
 - WHIP+: Insured, NAP, or uninsured crops with a final plant date PRIOR to 1/1/19.
 - Eligible: crops in a Secretary or Presidentdeclared disaster county, or those with COCaccepted documentation of the qualifying disaster event.
 - \$125k or \$250k per crop year; \$500k limit, depending on producers verified AGI.





- Crops that received a prevented planting crop insurance indemnity for any reason, except drought, will receive a Top-Up payment based on insurance plan.
 - Revenue Coverage 15% additional payment.
 - Yield Protection or Revenue Coverage with a harvest price exclusion 10% additional payment.
- Payments issued from producers' Approved Insurance Providers starting last month.
- Not subject to AGI or payment limitations.

Agriculture-Rural Development-FDA Appropriations







HOUSE AND SENATE HAVE APPROVED FY 2020 AG-FDA BILLS FEDERAL FUNDING EXPIRES NOV. 21

STOPGAP FUNDING BILL LIKELY THROUGH FEB/MARCH



- Hemp Regs: released 10.29.19.
- Dairy Margin Coverage Program: Enroll through 12/13/19.
- Ag Risk Coverage & Price Loss
 Coverage Programs: Signup for the
 2020 crop year closes 6/30/20;
 signup for 2019 crop year closes
 3/15/20.





- USDA Proposed Rules to SNAP
- Biofuel Waivers
- Farm Workforce Modernization Act
- ERS/NIFA Relocation





Jessica Brousseau Deputy Director



brousseauj@michigan.gov



517-930-7770

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT POLICY NO. 7

Policy Title: ENVIRONMENTAL STEWARDSHIP AND FARMLAND PRESERVATION

It is the policy of the Commission of Agriculture and Rural Development to cooperate with local, state, and federal agencies to protect soil, air, water, and ecology while promoting profitable working lands: agriculture, forestry, aquaculture, and horticulture. This includes but is not limited to:

- Protection of air quality;
- Surface and ground water pollution prevention strategies;
- Minimizing soil loss and promoting soil health;
- Regulation and education regarding agri-chemical use and storage;
- Responsible manure and fertilizer management;
- Promoting energy conservation, efficiency, generation programs;
- Wildlife habitat expansion and enhancement programs for private landowners;
- Forest stewardship programs that improve forest health and sustainability;
- Enhanced drainage for agricultural productivity and public health;
- Enhanced drainage for the prevention of flood damage;
- Supporting irrigation strategies that improve productivity and water use efficiency;
- Facilitating Conservation District capacity to deliver environmental programming;
- Supporting state tax policies that benefit working lands in Michigan;
- Adoption of technologies that mitigate and adapt to changing climate.

Michigan must also continue to strengthen the economic viability of the food, fiber, and agricultural industry, and help provide profitable economic opportunities for businesses on working lands. Agriculture, forestry, aquaculture, and horticulture operations must

have the protection and freedom to expand or change to remain competitive and profitable. Only in this manner can Michigan create a truly sustainable policy for the protection of natural resources on working lands.





Industrial Hemp in Michigan - Program Overview
Gina Alessandri, Hemp Director
Michigan Department of Agriculture and Rural Development

Outline

- What is industrial hemp?
- How is it different from marijuana?
- The history of hemp
- Federal and state legislative history
- 2019 ag. pilot program
- What we learned in 2019





Cannabis sativa L. – specie of plant being raised for both industrial hemp and marijuana.

"The plant Cannabis sativa L. and any part of that plant, including viable seeds of that plant and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis.

Industrial hemp includes industrial hemp commodities and products and topical or ingestible animal and consumer products derived from plant Cannabis sativa L with a delta-nine-tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis."

Cannabis sativa L. – 4 Key Differences Chemical Composition –

Industrial Hemp

- Less than 0.3% THC
- Non-intoxicating
- 20% Cannabidiol (CBD)



- 5% 35% THC
- Intoxicating
- <10% Cannabidiol (CBD)



Cannabis sativa L. – 4 Key Differences Legality

Industrial Hemp

- Federally legal
- Removed from the Controlled Substance List
- Agricultural product that may be legally grown, processed, possessed and sold.



- Federally illegal
- Remains on the Controlled Substance List



Cannabis sativa L. – 4 Key Differences Cultivation

Industrial Hemp

- Typically grown outdoors
- Can grow up to 20 ft.



- Typically grown in very controlled environment
 - Temperature, Lighting &
 - Humidity
- Grows up to 5 ft.



Cannabis sativa L. – 4 Key Differences Uses

Industrial Hemp

- +20,000 products and uses:
- Seed Medications, health foods, bio-fuels, cosmetics & lotions.
- Fiber Paper, textiles, construction materials, clothing, auto parts, animal bedding.
- Oil CBD oil, medicine, cosmetics, lotions.

- Commonly recognized for:
 - Recreational uses
 - Therapeutic uses



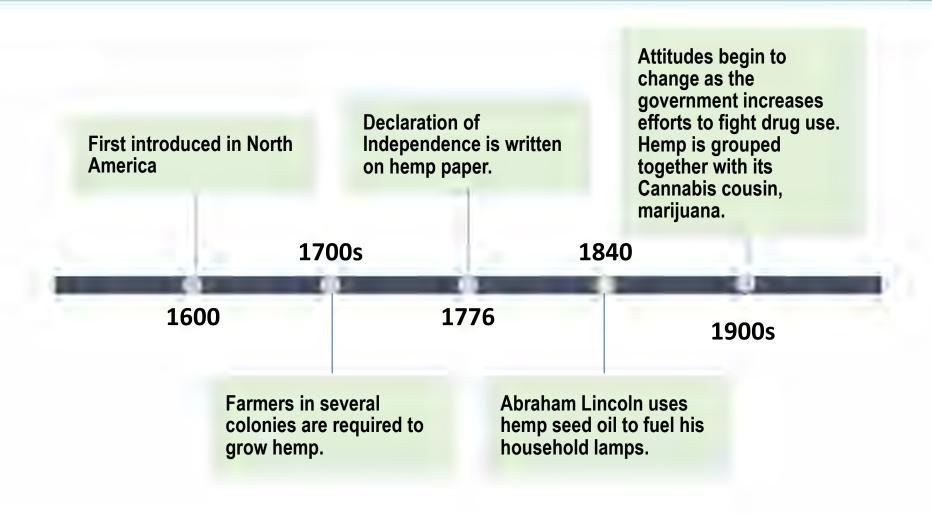




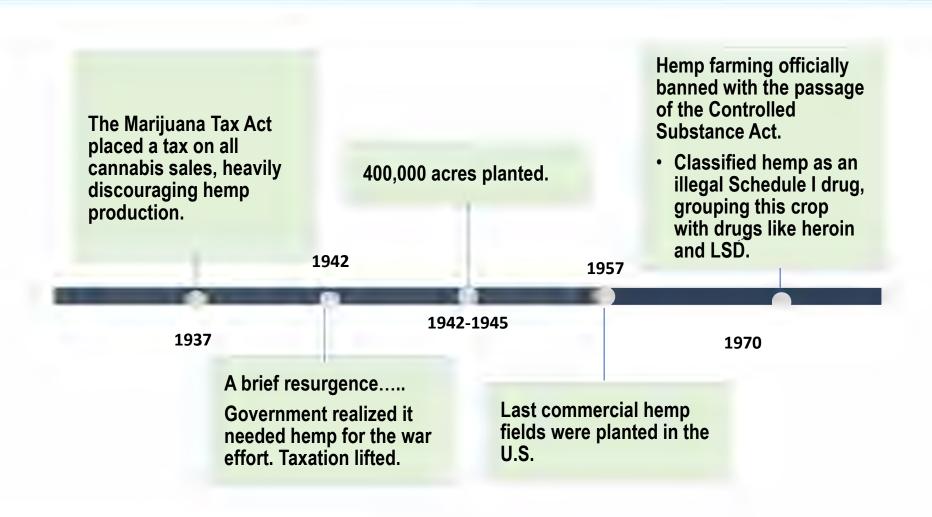




History of hemp



History of hemp



Hemp legislation 2014

2014 U.S. Farm Bill - authorizes state departments of agriculture and colleges and universities to administer pilot programs to study the growth, cultivation and marketing of industrial hemp.

2014

2014

MI Public Act 547 of 2014 - Michigan's Industrial Hemp Research Act became law.

 Allowed MDARD to create an industrial hemp research pilot program.

Hemp legislation 2018

2018 U.S. Farm Bill

Legalized industrial hemp.

Named USDA as the Federal agency responsible for hemp.

Gives states the authority to regulate industrial hemp at the state level if they choose.

States wishing to regulate hemp must have a USDA approved "state plan" in place to monitor and regulate production of the crop.

Directs USDA to promulgate rules and provided guidance to states on state plan submission.

2018

2018

Michigan Industrial Hemp Research and Development Act, PA 641 signed December 2018.

 Amends Public Act 547



USDA provides guidance to states indicating that they do not intend to approve state plans until after the federal rules are finalized.

Until that time, states may continue to operate under the authority of the 2014 Farm Bill which authorized the growth, cultivation and marketing of industrial hemp for research.

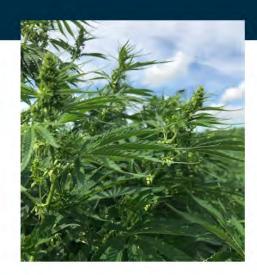
April 2019

February 2019

Michigan Ag Pilot Program launched

Michigan Ag Pilot Program

- Allows hemp growing, processing and handling in Michigan provided:
 - Proper licensure
 - Background check
 - Research agreement
 - Preharvest testing to ensure compliance
- 580 Registered Growers
 - 850 outdoor locations, 15,477 acres
 - 300 indoor locations, + 10 M square feet
- 457 Licensed Processor-Handlers





Laboratory Testing Results

- 801 Samples Tested thru 10/31
 - 85.6% Compliance
 - Comparison to other states
 - Colorado 73%
 - Minnesota 88%
- "Hot" Samples
 - THC Range: 0.4% 8.7%
 - Two Particular Varieties of Concern
 - Cherry Wine
 - Young Sim 10





Industrial Hemp Budget

- FY 2019 Supplemental/Work Project
 - \$1.3 Million GF/GP One-Time
 - Compliance, lab & licensing staff
 - Equipment and start up costs
- FY 2020 One-Time
 - 4.5 FTE's
 - \$150,000 GF/GP
 - \$210,000 Restricted Revenue

What have we learned so far in 2019?

Policy and regulation – We don't have all the answers.

- Federal guidance and interpretation is needed.
- Regulatory pathway for cannabis use in food, drugs and cosmetics.

Growing hemp is very labor intensive.

• Production processes & equipment need to evolve.

This crop requires farmers to be very attentive.

 Lab analysis required for compliance must be scheduled with harvest in mind.

THC levels need to be monitored

Cross-pollination is a concern.

- For hemp growers AND marijuana growers.
- Male plants must be removed.

What have we learned so far in 2019?

Processors are needed

 In state processing facilities are needed to adequately support the industry.

Ongoing need for outreach and education

- Banking industry
- Local units of government
- Law enforcement

Connecting growers and processors

 Privacy and security of growing operations continue to be a concern.

Intersecting issues with marijuana laws

Identification and review of roles and responsibilities



USDA publishes Final Interim Rules October 30, 2019 https://www.ams.usda.gov/rulesregulations/establishmentdomestic-hemp-productionprogram

Establishes the U.S. Domestic Hemp Production Program.

 Creates a consistent regulatory framework for hemp production throughout the United States.

Interim rule is subject to change pending public comment



Program Oversight – Two options

State Operated Program

Approved state plan

OR

Federally Operated Program

Absent an approved state plan that contains evidence of adequate resources to carry out the program, USDA would administer the hemp program in MI.



USDA Interim Final Rules

- USDA interim hemp regulations provide specific detail on what must be included in a state plan for it to be approved.
 - Documentation of where hemp is being grown.
 - Reporting requirements for growers
 - Standards for testing to ensure compliance.
 - Use of DEA Registered Laboratories
 - Collection of samples by law enforcement or other federal or state designated person.
 - Effective disposal of non-compliant plants and products.
 - In accordance with the Controlled Substance Act (CSA) and DEA.
 - Collection for destruction by a person authorized under the CSA to handle marijuana.

USDA Interim Final Rules

- Communication with law enforcement.
 - State reporting requirements of all licensees within 30 days of receipt.
 - Real time availability for law enforcement
- Annual inspection requirements
 - Negligent violations will require a corrective action plan
 - Violations made with a culpable metal state greater than negligence
 - Background checks
- Certification that resources are available to carry out the plan.









@MIDeptofAgriculture



@MichDeptofAg



Michigan Department of Agriculture & Rural Development



@MichiganAgriculture



Michigan Department of Agriculture & Rural Development

Michigan Commission of Agriculture and Rural Development November 6, 2019

Request for Approval to Increase Nursery and Related Inspection Fees

Purpose

The Pesticide and Plant Pest Management Division (PPPMD) requests the Commission of Agriculture and Rural Development to approve proposed increases in its nursery and related inspection fees.

Authority

The Insect Pest and Plant Disease Act, P.A. 189 of 1931, authorizes PPPMD to:

- Charge an inspection fee based on the cost of doing an inspection
- Annual adjust inspection fees based on the percentage change in the Detroit-Ann Arbor-Flint Consumer
 Price Index (CPI) (determined by the State Treasurer)
 - Adjustment not to exceed 5% in a one-year period
 - o Commission must approve adjustment

Fiscal Year Review of the Cost of an Inspection

PPPMD evaluates the cost of conducting plant and plant product inspections at the end of each fiscal year. For the 2019 fiscal year, this evaluation found that:

- Inspection and license fees totaled \$1.05 million, which did not cover the approximately \$3.0 million cost of these programs
- Almost \$2 million in general fund was required to support these programs

Consumer Price Index (CPI)

The State Treasurer notified MDARD on September 19, 2019 that the Detroit-Ann Arbor-Flint CPI rose 1.1% in FY 2019.

Inspection Fee Schedules

<u>Current</u>: \$61/hour <u>Proposed</u>: \$62/hour [\$1/hour increase]

\$56/acre (first acre) \$56/acre [no increase] \$33/acre (subsequent acres) \$34/acre [\$1/acre increase]

Revenue increase: estimated at \$4,600

Persons Affected by Inspection Fee Increases

- Nursery stock growers and dealers
- Exporters of plants and plant products
- Christmas tree growers shipping cut trees out of state
- Importers of foreign-source nursery stock
- Persons requesting inspections under special circumstances

Effective Period

January 1, 2020 - December 31, 2020

Notification of Proposed Inspection Fee Increases and Effective Period

In October, PPPMD notified, in writing, the proposed changes in fees to the following organizations:

- Michigan Nursery and Landscape Association
- Michigan Green Industry Association
- Michigan Christmas Tree Association
- Michigan Floriculture Growers Council
- Michigan Agribusiness Association

This information has also been posted at www.michigan.gov/mdardnursery.



Michigan's Produce Safety Rule Implementation Effort Update











Kristin Esch, Produce Safety Specialist Amber Matulis, Food Safety Modernization Unit Manager Food and Dairy Division

21 CFR Part 112, The Produce Safety Rule

The Produce Safety Rule (PSR) is 1 of 7 Food Safety Modernization Act Rules

- First preventive food safety regulation specific to growing and harvesting
 - Prior regulations covered adulteration
 - PSR addresses Microbial
- PSR addresses Microbiological Risks
 - Agricultural Water
 - Biological Soil Amendments of Animal Origin
 - Equipment, Tools and Buildings
 - Animals in the Growing Area
 - Health and Hygiene
 - Training



FSMA Law Adoption

• HB4811 (Food) & HB4812 (Feed)

Public Acts 92 (Food) & 93 (Feed)

- Filed on 3/26/2018
 - Adopts CFR's into Michigan Food Law as of filing date
 - 21 CFR 112 Produce Safety Rule
 - 21 CFR 117 Preventive Controls Rule



21 CFR Part 112, The Produce Safety Rule

Who's Covered?

- Produce typically eaten raw
- Qualified exemption
 - <\$500K & more than 50% sales locally (in-state or within 275 miles)
- Processing exemption
 - RAC's destined for Commercial Processing with a validated kill step

Who's Not Covered?

- Raw Agricultural Commodities (RAC's) not typically eaten raw
- On-farm consumption
- Farms with <\$25,000 Annual Produce Sales



FDA's Role in 21 CFR 112 Implementation

- CFSAN Network
- ORA Network
- rTAN Inspectional Assistance
- Roles and Responsibilities
- Support for Cooperative Agreement Program states
- Inspection for Non-CAP states
- Collaboration with States during investigations and outbreaks



Produce Safety Rule and Draft Guidance

- PSR was published on November 27, 2015 and went into effect in early 2016
- Enforcement held off for 2 years to allow farms to be educated and come into compliance
 - Inspections started for large farms spring 2019
- Draft Guidance issued for farms
 - Comment period closed April 22, 2019
- Water and Biological Soil Amendments of Animal Origin (BSAAO)
 - Held in abeyance pending further research and rulemaking





PSR Compliance Dates

Compliance Dates (+ 4 years for Ag Water)

Large Businesses 2018

Small Businesses 2019

Very Small 2020

- Large Farms: > \$500K in Annual Sales
- Small Farms: \$500K-\$250K in Annual Sales
- Very Small Farms:\$250K-\$25K Annual Sales



Michigan's Produce Safety Program History

How did we get here?

- FSMA Rules and PSR identified as significant emerging issues
- Past and present Department leadership support to develop program

Why were we successful?

- Outreach to regulated community, including commodity organizations, farmers, and other industry groups
- National Listening Session held in Michigan
- Outreach to MDARD Commission
- Educational Outreach to food safety peers, including extension, home economics food safety personnel, Conservation Districts
- Urban Agriculture Small and Very small farmers
- Michigan Food and Farming Systems, Michigan Farmers Market Association, Michigan Association of Local Public Health, Michigan Association of Local Environmental Health Administrators



Michigan's Produce Safety Program

- Inspection
- Program Development –
 policies, procedures,
 inspection system
 development, training,
 legislation adoption,
 education, outreach, staff
 hiring, farm inventory
 development, inspection
- Education/Outreach
- Technical Assistance



Produce Safety Rule Inspection

- Inspector contacts farm to schedule inspection
 - Inspector will typically contact grower by phone
 - Mutually agreed upon date/time
 - Inspection during harvest
- Inspection time typically ½ to 1 day, dependent on farm characteristics
- Inspections began Spring 2019
 - Inspections are required for farms covered under 21 CFR 112
 - No Fee for Inspection
 - Licenses are **not** required for farms covered under 21 CFR 112
 - Focus on educating before and while we regulate
 - Violations noted only if egregious conditions identified



Farm Inventory Development

- No mandatory registration or mandatory licensing
 - List of farms being developed, but not complete
- Use of existing information to develop list
 - Mushroom growers
 - Migrant Labor Housing database
 - Water Usage database
 - GAP audits database
- Survey & Post Card Mailing
- #Verified Farms





Education, Outreach, Technical Assistance

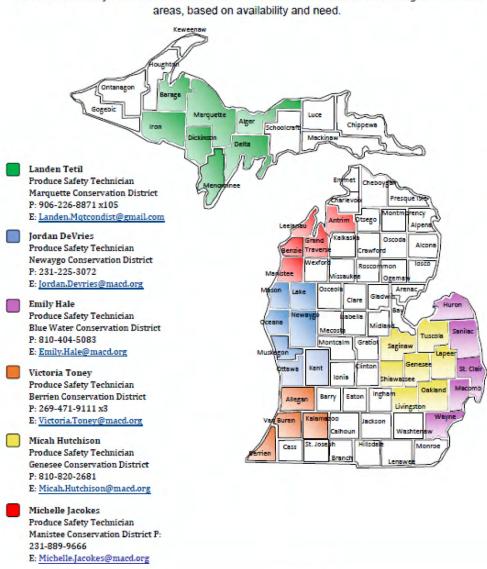
- Conservation District Produce Safety Technicians
 - Unique to Michigan
 - Following MAEAP structure
 - Safe Food Risk Assessment developed ~12 years ago
 - 6 Technicians
 - Free, confidential, educational outreach and technical assistance
 - Produce Safety Risk Assessment
 - NRCS Cost Share
- Michigan State University Extension
 - Produce Safety Alliance Grower's Training
 - Mandatory course for farms covered under the rule
 - Currently provided for free
 - Outreach to Spanish Speaking Farmers and Amish Farmers
 - On Farm Readiness Reviews (OFRR)
 - Prepares farm for inspection



Conservation District Produce Safety Technician Coverage*

As of January 29, 2019

*All Produce Safety Technicians are available for assistance outside of their designated service areas, based on availability and need





Educational Videos

6 Videos were created to assist in providing education to farm owners and workers. These videos can be found on MDARD's YouTube Channel or at Michigan.gov/producesafety.

- Produce Safety Inspection for Farm Owners (English and Spanish)
- 2. Produce Safety Inspection for Farm Workers (English and Spanish)
- 3. Produce Safety Technical Assistance
- 4. Portable Toilet Video

Michigan is committed to being a national leader in produce safety



National Program

- FDA Cooperative Agreement Program
 - Michigan develops and runs program, based on MI needs, supported by FDA funding
- National approach for education and outreach, inspection, and enforcement
 - Focus on educating before and while we regulate
 - National Association of State Departments of Agriculture, FDA and State Collaboration
 - FDA4056 Form developed through collaboration with FDA, NASDA and States
 - Regional Centers for Produce Safety
 - Produce Safety Alliance



Michigan's National Efforts

- OFRR Lead Trainer
- OFRR Development Team
- Mock inspection training in WI
 - FDA, PSA, NCR, MI, WI, MN, IA
- Working to develop a national consistency training
 - FDA and Texas
 - Farms should have consistent inspections across states
- NASDA work groups
- FDA work groups

Contacts

 Brent Kreiger, MDARD Produce Inspector kreigerb@Michigan.gov
 (517) 275-0212

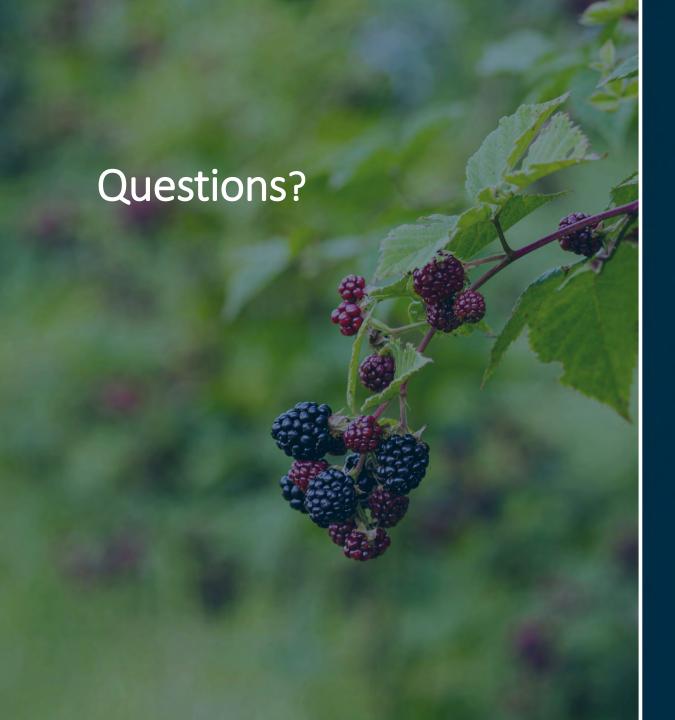
 Emily Hollingsworth, MDARD Produce Inspector hollingsworthe@Michigan.gov (231) 670-4600

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Michigan Department of Agriculture & Rural Development



GRETCHEN WHITMER

STATE OF MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

GARY MCDOWELL DIRECTOR

DATE: November 6, 2019

TO: Michigan Commission of Agriculture and Rural Development

FROM: Peter Anastor

Director, Agriculture Development Division

SUBJECT: Snackwerks of Michigan, LLC – Food and Agriculture Investment Fund

Background

Snackwerks of Michigan produces shelf-stable bakery food products for branded food companies and provides best-in-class supply chain production at a scale that matches emerging and mid-tier brand volume requirements. Snackwerks was formed in 2016 and is led by Jeff Grogg, who has more than twenty-five years of food industry experience. He led product development at Kellogg owned Kashi as the company grew from \$25 million to \$750 million in sales over nine years. Snackwerks was inspired by a demonstrated client demand for volume-flexible, high-quality bakery production in Battle Creek. Snackwerks currently produces for a wide variety of customers, ranging from large Fortune 500 companies to new companies launching their first products.

Project Description

Snackwerks of Michigan has been approached by France-based Michel et Augustin to enter into a multi-year contract to produce their cookies for the U.S. market. In order to support this increased demand, the company will need to invest approximately \$3.9 million in equipment and building renovations at their existing site in Battle Creek. The project will lead to the creation of 38 new jobs. Michel et Augustin cookie squares require a complicated multi-step process to manufacture, so they require a flexible partner to install the proper capability. They currently import roughly 40 million cookies into the U.S. per year, which would now be locally manufactured at Snackwerks under a contract manufacturing arrangement in which Snackwerks would own the equipment and have rights to use it for other customers. Michel at Augustin is majority owned by Danone, a global \$25 billion consumer products company.

The production line will be installed in the existing Snackwerks facility and will increase revenue by about 40 percent in the first year. The business from Michel et Augustin will be contractually committed for approximately six years and Snackwerks stands to gain significant additional business from other customers, translating to even better business opportunities and more jobs. Michigan agriculture and food ingredient suppliers will benefit from this new opportunity and Snackwerks' preference for sourcing ingredients from Michigan suppliers when they meet customer specifications. Snackwerks is currently sourcing from a multitude of Michigan companies and the creation of this new production capability will help grow Michigan-based food consumer products companies.

Michigan Commission of Agriculture and Rural Development November 6, 2019 Page two

The project will not only drive business for Michigan companies directly, but it also could bring additional production products from global companies to Michigan as they seek options for the manufacturing of their products.

MDARD Staff Recommendation

Michigan Department of Agriculture and Rural Development staff recommends the Michigan Commission of Agriculture and Rural Development approve a Food and Agriculture Investment Fund performance-based grant of \$150,000 for Snackwerks of Michigan, LLC.



FOOD AND AGRICULTURE INVESTMENT PROGRAM MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

TERMS SHEET

PROJECT TITLE

Snackwerks Project MetA Cookie Line Installation

COMPANY INFORMATION

Company Legal Name: Snackwerks of Michigan, LLC

Address: 180 East Goodale Avenue, Battle Creek, Michigan, 49037

Federal ID Number: 35-2553453

COMPANY PROJECT

Project Location (Address): 180 East Goodale Avenue, Battle Creek, Michigan

Total Project Investment Amount: \$3.948.800

Total Project Jobs Created: 38

MDARD PROJECT SUPPORT

Type of Project:

Performance Based Grant

Grant Amount:

\$150,000

Milestones:

- Complete necessary building renovation at the existing food production facility in Battle Creek, Michigan, and;
- 2. Purchase, installation and operation of new machinery and equipment at the renovated facility in Battle Creek, and:
- Documentation of necessary state food processing permits, and local building occupancy permits for the facility in Battle Creek.

All milestones must be completed prior to receiving a disbursement of the performance-based grant.

If the terms of this Letter of Intent for a grant are accepted, the project will be taken to the Agriculture and Rural Development Commission for approval. If approved by the Commission, a grant agreement will be signed between the company and IDARD incorporating the terms included in this term sheet.

Funding is subject to final approval of work-project authorization by the Michigan Legislature.

ACKNOWLEDGEMEN	NT OF TERMS OF	SUPPOR	T FOR	RPROJEC	T:
Company	Dala	MDARD		4.	Date
Sta	10/25/8	VA	P	42	1012110
STRATEGIL	PARTNORS4) PS	Peter C.	Anastor.	Director, Agric	culture Development
Print Name and Title					•

Michigan Commission on Agriculture and Rural Development FY 2020 MDARD Enacted Budget November 6, 2019

FY 2020 Enacted Budget

- \$107.9 Million Gross Appropriation
 - o \$5.5 Million Decrease from FY 2019 (5%)
- \$52.5 Million GF/GP
 - \$11.6 Million decrease from FY 2019 (18%)

Enhancements

Emergency Management

- \$200,00 GF/GP and 1.0 FTE
- Emerging Contaminants Coordinator
- Consistent with FY 2019 Supplemental

Industrial Hemp One-time Start Up Costs

- \$1.4 million GF/GP and \$210,000 in restricted funding (combined FY 2019 and FY 2020)
- Support the implementation of PA 641 of 2018 which created the Industrial Hemp Research and Development Program

Fair Food Network/Double Up Food Bucks

- \$2.0 Million One-time funding (FY 2019 supplemental)
- \$1.0 Million On-going funding
- Used as match funding for USDA Farm Bill Grant

Reductions from FY 2019

- One-Time General Fund Reductions (\$4,855,000)
- ACRE Agriculture Incubator (\$260,000)
- County Fairs, Shows and Expositions (\$925,000)
- ODC Network Project Clarity (\$120,000)
- MSU Animal Agriculture Initiative (\$2,000,000)
- Dairy Industry Support (\$1,000,000)
- MSU Mobile Fruit and Vegetable Labs (\$550,000)

Governor's Changes to Legislative Conference Report

Administrative Transfers to Restore Legislative Reductions

MDARD Transfers FROM:

- Food and Agriculture Investment Grant Program \$3.9 Million **TO**:
- Animal Disease Prevention and Response \$782,600 GF/GP
- Pesticide and Plant Pest Management \$1,500,000 GF/GP
- Environmental Stewardship \$520,000 GF/GP
- Emergency Management/Emerging Contaminant Coordinator \$200,000
 GF/GP
- Qualified Forest Program \$997,300 GF/GP

Department of Technology, Management & Budget Transfers FROM:

 DTMB MDARD Licensing and Inspection System Upgrade – \$4,999,900

TO:

• DTMB Technology Services/General Services – \$4,999,900

■ VETOES - \$4.7 Million GF/GP and \$997,300 Restricted

- MSU Animal Agriculture Alliance \$3.0 million GF/GP
- MSU Farm Stress Program \$500,000 GF/GP (one-time)
- Conservation District Resource Needs Assessment \$200,000 GF/GP (one-time)
- County Fair Capital Improvement Grants \$1,000,000 GF/GP
- Qualified Forest IDG from DNR Forest Development Fund \$997,300 Restricted (Veto in DNR Budget)

MDARD Legislative Update: 11/4/2019						
Туре	Bill #	Subject	Date of Last Action	Last Action	Primary Sponsor	
House Bill	4035	Animals; dogs; local government regulating a dog based on breed or perceived breed; prohibit. Creates new act.	1/16/19	Referred to Committee of Local Government and Municipal Finance	Jim Ellison	
House Bill	4496	Animals; research facilities; certain research facilities to offer certain laboratory animals for adoption before euthanization; require. Creates new act.	4/24/19	Referred to the Committee of Regulatory Reform	Kevin Hertel	
Senate Bill	<u>174</u>	Animals; other; animal industry act; modify. Amends title & secs. 1, 3, 7, 9, 11b, 12, 14, 19, 20, 22, 31, 39, 40, 43 & 44 of 1988 PA 466 (MCL 287.701 et seq.); adds secs. 3a, 3b, 12a, 12b, 14a, 17b, 17c, 17d, 40a, 40b & 43a & repeals secs. 4, 5, 6, 8, 10, 13, 13a, 15, 16, 17a, 23, 24, 24a, 26a, 27, 28, 29, 29a, 30, 30a, 30b, 30c, 30d, 32, 33, 35, 41 & 46 of 1988 PA 466 (MCL 287.704 et seq.).	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Kevin Daley	
Senate Bill	<u>175</u>	Animals; other; reference to animal industry act in act governing ferrets; modify citations. Amends sec. 1 of 1994 PA 358 (MCL 287.891).	3/7/19	Referred to the Committee of Agriculture	Kevin Daley	
Senate Bill	<u>176</u>	Animals; other; reference to animal industry act in act governing the licensing of livestock dealers; modify citations. Amends secs. 4 & 7 of 1937 PA 284 (MCL 287.124 & 287.127).	3/7/19	Referred to the Committee of Agriculture	Kevin Daley	
Senate Bill	177	Animals; other; reference to animal industry act in Michigan aquaculture act; modify citations. Amends secs. 6 & 8 of 1996 PA 199 (MCL 286.876 & 286.878).	3/7/19	Referred to the Committee of Agriculture	Jim Ananich	
Senate Bill	<u>178</u>	Animals; other; reference to animal industry act in general property tax act; modify citations. Amends secs. 7dd & 34c of 1893 PA 206 (MCL 211.7dd & 211.34c).	3/7/19	Referred to the Committee of Agriculture	Roger Victory	
Senate Bill	<u>179</u>	Animals; other; definition of livestock in agricultural commodities marketing act; modify citations. Amends sec. 2 of 1965 PA 232 (MCL 290.652). TIE BAR WITH: SB 0174'19	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Roger Victory	
Senate Bill	180	Criminal procedure; sentencing guidelines; sentencing guidelines for violations of animal industry act; modify citations. Amends sec. 12m, ch. XVII of 1927 PA 175 (MCL 777.12m). TIE BAR WITH: SB 0174'19	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Dan Lauwers	
Senate Bill	<u>181</u>	Animals; other; definition of livestock and reference to animal industry act in Michigan penal code; modify citations. Amends secs. 50 & 50b of 1931 PA 328 (MCL 750.50 & 750.50b). TIE BAR WITH: SB 0174'19	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Dan Lauwers	
Senate Bill		Animals; other; definition of livestock and reference to animal industry act in wildlife depredations act; modify citations. Amends secs. 2 & 3 of 2012 PA 487 (MCL 285.362 & 285.363). TIE BAR WITH: SB 0174'19	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Ed McBroom	
Senate Bill	<u>183</u>	Animals; other; definition of livestock in wolf-dog cross act; modify citations. Amends sec. 2 of 2000 PA 246 (MCL 287.1002). TIE BAR WITH: SB 0174'19	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Ed McBroom	

Senate Bill	<u>185</u>	Drains; maintenance and improvement; frequency of maintenance; limit based on period since most recent maintenance assessment. Amends secs. 196 & 201 of 1956 PA 40 (MCL 280.196 & 280.201).	3/7/19	Referred to the Committee of Local Government	Jim Stamas
House Bill	4585	Agriculture; other; fair and festival carnival safety partners program; provide for. Creates new act.	6/18/19	Reported from Regulatory Reform to the Committee of Ways and Means	Thomas Albert
House Bill	<u>4593</u>	Animals; care and treatment; devocalization procedure on an animal; prohibit, except for a therapeutic purpose. Amends 1978 PA 368 (MCL 333.1101 - 333.25211) by adding sec. 18830.	5/15/19	Referred to the Committee of Agriculture	Tim Sneller
House Bill	4594	Crimes; animals; ownership, possession, breeding, sale, and importing of nonhuman primates; prohibit with certain exceptions and provide penalty. Amends 1931 PA 328 (MCL 750.1 - 750.568) by adding sec. 70b.	5/15/19	Referred to the Committee of Agriculture	Jim Ellison
House Bill	4595	Animals; birds; issuance of carrier pigeon permits; require compliance with local ordinances and regulations, and prohibit the enactment of local ordinances that prohibit the keeping of carrier pigeons. Amends sec. 2 of 1974 PA 57 (MCL 433.352).	5/15/19	Referred to the Committee of Agriculture	Frank Liberati
House Bill	<u>4596</u>	Animals; cats; establishment and promotion of community cat programs; provide for. Creates new act.	5/15/19	Referred to the Committee of Agriculture	Laurie Pohutsky
House Bill	4641	Crimes; animals; penalties for performing or allowing a devocalization procedure to be performed if no therapeutic purpose; provide for. Amends sec. 50 of 1931 PA 328 (MCL 750.50).	5/21/19	Read into the record	Sherry Gay- Dagnogo
Senate Bill	<u>361</u>	Animals; other; definition of livestock in the Michigan fireworks safety act; modify citation. Amends sec. 12 of 2011 PA 256 (MCL 28.462).	10/30/19	Reported from The Committee of Agriculture and referred to the Committee of Ways and Means	Jim Ananich
House Bill	4806	Public utilities; public service commission; licensing of electric vehicle charging station operators; provide for. Amends title & secs. 10g, 10h & 10q of 1939 PA 3 (MCL 460.10g et seq.).	7/10/19	Referred to the Committee on Energy	Andrea Schroeder
House Bill	4807	Agriculture; weights and measures; pricing for charging of electric vehicles; standardize price displays. Amends 1964 PA 283 (MCL 290.601 - 290.635) by adding sec. 28g.	7/10/19	Referred to the Committee on Energy	Padma Kuppa
Senate Bill	419	Animals; other; registration and regulation of animal rescues; provide for. Amends title & secs. 1, 2, 5a, 6, 7, 8, 8a, 8b, 8c, 9a & 9b of 1969 PA 287 (MCL 287.331 et seq.) & adds sec. 8d.	10/31/19	Referred to the Committee on Agriculture (Testimony taken)	Peter Lucido
House Bill	4860	Animals; exotic; applicability of certain provisions of the large carnivore act based on residency; modify. Amends sec. 22 of 2000 PA 274 (MCL 287.1122).	9/3/19	Referred to the Committee on Agriculture	Thomas Albert
Senate Bill	450	Agriculture; animals; amount charged for livestock dealer license fee; extend sunset. Amends sec. 3 of 1937 PA 284 (MCL 287.123).	10/2/19	PA 86 of 2019	Curtis Hertel
House Bill	4947	Food; other; labeling as meat a laboratory-grown meat substitute; prohibit. Amends sec. 7129 of 2000 PA 92 (MCL 289.7129).	9/11/19	Referred to the Committee of Agriculture	Beau LaFave
House Bill	4833	Agriculture; animals; import or transfer live cervidae from a region that has tested positive for chronic wasting disease; prohibit. Amends sec. 30a of 1988 PA 466 (MCL 287.730a).	8/29/19	Referred to the Committee of Agriculture	Thomas Albert

House Bill	<u>5060</u>	Drains; maintenance and improvement; expenditures and assessments without petition; increase maximum amounts. Amends sec. 196 of 1956 PA 40 (MCL 280.196).	10/8/2019	Referred to the Committee of Local Government and Municipal Finance	Alex Garza
House Bill	<u>5085</u>	Health occupations; veterinarians; consulting with animal owner on the use of marihuana and CBD oil; allow under certain circumstances. Amends 1978 PA 368 (MCL 333.1101 - 333.25211) by adding sec. 18817.	10/8/2019	Referred to the Committee of Agriculture	Douglas Markkanen
House Bill	<u>5090</u>	Animals; care and treatment; experimentation on dogs in a manner that causes pain or distress, and certain related activities, by an affiliate of a public body; prohibit. Creates new act.	10/8/2019	Referred to the Committee of Agriculture	Sara Cambensy
House Bill	<u>5126</u>	Drains; other; petition to add or remove lands and notice of receipt of bids and review of apportionments; revise requirements. Amends secs. 135 & 154 of 1956 PA 40 (MCL 280.135 & 280.154).	10/17/2019	Referred to the Committee of Local Government and Municipal Finance	Steven Johnson

Comments for 11/06/19 Ag Commission Meeting

I'm here representing the members of iHempMichigan – an organization committed to supporting growers and businesses by educating our members and the public to promote industrial hemp in Michigan.

This year, we held a series of educational events around the state to help farmers and others in the hemp growing and processing business.

We also have met with state lawmakers to keep them informed about the progress and needed reforms for this new crop.

Today, we are here to thank MDARD for the job they've done in the pilot program to grow industrial hemp in Michigan this year – it was a huge task and in just over 3 months, MDARD met the challenge – the program was launched.

Having worked for government for 27 years, I understand what a huge accomplishment this was to have implemented in such a short timeframe.

We were honored last week to have the MDARD Director, Gary McDowell, tour one of our iHempMichigan member's farm to get a first-hand look at the hemp growing challenges on the farm.

USDA recently issued its interim draft rules for review and the comment period is open. Many of us have concerns on issues such as testing, certification of the crop, and the level of THC before the hemp crop is considered hot, among other things. These are items that may need to be addressed at the federal level but may also need to be discussed with Michigan regulators.

From an agricultural perspective, our grower members reported a full range of experiences this year. Everyone was surprised by how much hand maintenance this crop required. Everyone learned a lot to make them wiser walking into next season.

From a regulatory perspective, here are some things we suggest discussing as the program grows next year:

- Fees We would like to suggest farmers not have to pay a large, separate fee to be registered as handlers to harvest and sell a crop.
- Security/Theft this has been a problem for many farmers, not only in Michigan but other states as well.
 - ✓ Given the dollar value per plant, we would like to discuss specific laws and/or regulations regarding theft of this crop.

Testing

- ✓ The MDARD Laboratory did an excellent job from all indications they kept up with the demands and timely provided the results to growers. As more farmers grow this crop additional services for testing maybe needed. According to the USDA rules the labs for testing will need to be DEA approved labs.
- Remediation for crops that test hot instead of the farmer having to lose the entire crop. Other states allow blending of the product, perhaps processing on the farm to remove the THC.

- Cross-Pollination Issues were a problem this year and will be in the future. Looking forward, it is likely that industrial Hemp, Medical and Recreational Marijuana industries will run into problems without some thoughtful structure around siting.
- Timing of when growers and processors have to re-apply for growing and processor handling permits.
- This industry could certainly benefit from state assistance with research tax incentives and investments to help build the necessary infrastructure to make growing and processing hemp possible in Michigan.

We look forward to working with lawmakers and state leaders here to develop a strong industrial Hemp Program for the farmers and industries in Michigan.

Finally, I'm here today to announce that iHemp Michigan is hosting a Midwest industrial Hemp Expo at the Lansing Center on January 10 & 11, and you are all invited. MDARD staff will be in attendance, discussing the hemp growing pilot program regulations for 2020.

Check out **MidwestiHempExpo.com** for additional details about the Expo.

Thank you for the time today to inform the committee about Industrial Hemp in Michigan.