



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWELL
DIRECTOR

July 6, 2022

NOTICE OF MEETING

**MICHIGAN COMMISSION OF AGRICULTURE
AND RURAL DEVELOPMENT**

July 20, 2022

The regular meeting of the Michigan Commission of Agriculture and Rural Development will be held on Wed., July 20, 2022. The business session is scheduled to begin at 1:00 p.m. The meeting is open to the public and this notice is provided under the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275. The Commissioners will be meeting at the Radisson Hotel Lansing at the Capitol, 111 N. Grand Ave, Lansing, Michigan. This meeting is also being conducted electronically to allow for greater remote public attendance and participation. To join the meeting, dial by telephone: **1-248-509-0316** and enter the Conference ID: **513 269 9#**.

In accordance with the Commission's Public Appearance Guidelines, individuals wishing to address the Commission may pre-register to do so during the Public Comment period as noted below and will be allowed up to three minutes for their presentation. Documents distributed in conjunction with 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.

To pre-register to speak virtually during this meeting, individuals should contact the Commission Assistant **no later than Fri., July 15, 2022**, via email at MDA-Ag-Commission@michigan.gov and provide their name, organization they represent, address, and telephone number, as well as indicate if they wish to speak to an agenda item. You may also contact the Commission Assistant at that email address to provide input or ask questions on any business that will come before the Commission at the meeting. The Commission Chair will call upon each person by name and telephone number when it is time for them to speak and there will be a meeting moderator facilitating participation. All others wishing to speak will be provided two minutes to do so. Instructions on how to be recognized will be provided at the beginning of the meeting.

Those needing accommodations for effective participation in the meeting should contact the Commission Assistant at 800-292-3939 one week in advance or may use the Michigan Relay Center by calling 711 for deaf, hard of hearing, or speech-impaired persons.

A handwritten signature in black ink that reads "Gary McDowell".

Gary McDowell
Director

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT

Radisson Hotel Lansing at the Capitol
Capitol I Conference Room
111 N Grand Ave
Lansing, Michigan 48933

Option to Join via Remote Technology
Dial: 1-248-509-0316; Conf. ID: 513 269 9#

JULY 20, 2022 – Revised 7/12/22 TENTATIVE AGENDA

- 1:00 p.m. 1. **Call to Order and Roll Call**
2. **Approval of Agenda (action item)**
3. **Approval of Minutes** from the May 18, 2022, Commission of Agriculture and Rural Development Meeting (**action item**)
4. **Next Scheduled Meeting** (information only)
- September 14, 2022, AgroLiquid, St Johns
- 1:05 p.m. 5. **Commissioner Comments and Travel (action item)**
- 1:15 p.m. 6. **Commissioner Issues (action item)**
- Retirement Resolution for Mark Swartz
 - Retirement Resolution for Stan Kuchta
- 1:20 p.m. 7. **Director’s Report**
- 1:30 p.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.
- 1:40 p.m. 9. **Michigan Agriculture Environmental Assurance Program (MAEAP) Standards – Introduction of 2023 Standards:** Jim Johnson, Division Director and Joe Kelpinski, MAEAP Manager, Environmental Stewardship Division (information only)
- 2:00 p.m. 10. **Generally Accepted Processing Practices (GAPPs) – Introduction of Proposed Revisions:** Jim Johnson, Division Director, Environmental Stewardship Division (information only)

- 2:20 p.m. 11. **Food and Agriculture Investment Fund Requests:** Jamie Zmitko-Somers, Division Director, Agriculture Development Division (**action item**)
- 2:40 p.m. **Break**
- 2:50 p.m. 12. **Update on Migrant Labor Housing Advisory Board Recommendations:** Jim Johnson, Division Director, Environmental Stewardship Division (information only)
- 3:10 p.m. 13. **Budget Update:** Sylvia Renteria, Director of Finance and Budget (information only)
- 3:20 p.m. 14. **Legislative Update:** Ashley Steffen, Legislative Liaison (information only)
- 3:30 p.m. 15. **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.
- 3:40 p.m. 16. **Adjourn (action item)**

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT

Howard Miller Community Center
Banquet Room
14 S Church St
Zeeland MI 49464

and

Remote Technology via Microsoft Teams
Dial: 1-248-509-0316, Conference ID 387 572 324#

MEETING MINUTES May 18, 2022

PRESENT:

Charlie Meintz, Chair, Michigan Commission of Agriculture and Rural Development
Andy Chae, Vice Chair, Michigan Commission of Agriculture and Rural Development
Patricia Bergdahl, Secretary, Michigan Commission of Agriculture and Rural Development
Juliette King-McAvoy, Michigan Commission of Agriculture and Rural Development
Monica Wyant, Michigan Commission of Agriculture and Rural Development
Ken McFarlane, Chief Deputy Director, Michigan Department of Agriculture and Rural Development

CALL TO ORDER AND ROLL CALL

Chair Meintz called the meeting of the Commission of Agriculture and Rural Development to order at 9:13 a.m. on May 18, 2022. Vice Chair Chae called the roll with Commissioners Bergdahl, Chae, King-McAvoy, Meintz, Wyant, and Chief Deputy Director McFarlane present.

APPROVAL OF AGENDA

MOTION: COMMISSIONER BERGDAHL MOVED TO APPROVE THE MEETING AGENDA FOR MAY 18, 2022. SECONDED BY COMMISSIONER CHAE. MOTION CARRIED.

APPROVAL OF MARCH 16, 2022, MEETING MINUTES

MOTION: COMMISSIONER WYANT MOVED TO APPROVE THE MARCH 18, 2022, MEETING MINUTES. SECONDED BY COMMISSIONER KING-MCAVOY. MOTION CARRIED.

NEXT SCHEDULED MEETING

The next scheduled meeting is July 20, 2022.

COMMISSIONER COMMENTS AND TRAVEL

Commissioners shared information relative to their farm operations, as well as agriculture in their respective areas.

Commissioner Meintz expressed concerns regarding fertilizer prices, lower purchases, and how that will affect yields. He also noted commodity prices have been increasing to cover costs.

Commissioner Bergdahl shared recent industry meetings attended.

Commissioners Bergdahl, Chae, King-McAvoy, Meintz, and Wyant, traveled to attend today's meeting. There was no other travel submitted for approval.

MOTION: COMMISSIONER BERGDAL MOVED TO APPROVE THE COMMISSIONERS' TRAVEL. SECONDED BY COMMISSIONER CHAE. MOTION CARRIED.

COMMISSIONER ISSUES

Commissioner Wyant shared retirement resolutions before the Commission recognizing Sean Dunleavy and Scott Kay.

When asked about the biggest change in agriculture in the last 23, Sean noted the shortage in the labor force, as well as retention of workers.

The Commissioners acknowledged and thanked Sean and Scott for their career and lifetime investments.

MOTION: COMMISSIONER BERGDAHL MOVED THE RESOLUTIONS FOR SEAN DUNLEAVY AND SCOTT KAY BE ADOPTED WITH BEST WISHES FOR THEIR LONG AND HEALTHY RETIREMENT. COMMISSIONER KING-MCAVOY SECONDED. MOTION CARRIED.

DIRECTOR'S REPORT

Chief Deputy Director McFarlane acknowledged Sean's and Scott's decades worth of knowledge and experience and thanked them for their service to the State of Michigan.

The Chief Deputy Director introduced Sarah Lucas, Deputy Director for the Office of Rural Development for the Michigan Department of Agriculture and Rural Development (MDARD). Mrs. Lucas summarized her more than 20 years of experience in community and economic development in rural areas of Michigan.

The Chief Deputy Director also introduced Jennifer Eyde, Interim Commission Assistant, as well as Interim Executive Assistant to the Chief Deputy Director until a permanent replacement is selected. Deputy Director Joseph Rivet accepted a position outside of MDARD. The search and selection for a new deputy director is currently in process. In addition, Michelle Selzer began on May 2 as MDARD's Western Lake Erie Basin (WLEB) Strategist.

Chief Deputy Director McFarlane shared the April 5 announcement of a conservation agreement with the U.S. Department of Agriculture's Farm Services Agency, reinstating Michigan's Conservation Reserve Enhancement Program (CREP). CREP is an important program for the water quality of Michigan and will help the State of Michigan reach the 40 percent phosphorous reduction entering the WLEB.

He also shared details of meetings in which he and Director McDowell recently participated, including a roundtable and press event at Michigan State University with U.S. Department of Agriculture Marketing and Research Programs Under Secretary Jenny Moffitt, the U.S. Senate Agriculture Committee Field Hearing, National Association of State Departments of Agriculture members meeting with Environmental Protection Agency Administrator Regan, and an Environmental Stakeholders meeting.

He also shared Director McDowell is currently participating in the Finland Inbound Trade Mission from May 16-18. The Director is also attending food and agriculture business tours this month. MDARD has received significant coverage and positive feedback of the tours from the Governor's Office and stakeholders. Future tours will also be coordinated in conjunction with upcoming Sampling Team Exercises across the state.

After more than two years of working remotely, office-based staff returned to the office on May 2 and will continue with hybrid schedules. All employees have remote work agreements in place which reflect their approved remote/office work schedule.

PUBLIC COMMENT (AGENDA ITEMS ONLY)

There was no public comment relative to agenda items.

MICHIGAN DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT GOALS AND OUTCOMES: Kevin Bambenek, Business Performance Specialist, Office of Organizational Innovation

Mr. Bambenek reported the Office of Organizational Innovation focuses on Performance Management and Information Technology. Mr. Bambenek's role focuses primarily on Performance Management, including employee safety, employee engagement, metrics and performance excellence, and lean process improvement.

Mr. Bambenek shared the process of collecting data from the six MDARD divisions, capturing the information, and reporting on the Governor's Dashboard. The metrics are used to ensure the department is meeting their key goals of economic development; environmental sustainability; food safety, human and animal health; and efficient effective government.

In response to questions from the Commissioners, Mr. Bambenek explained the metrics are captured from databases and information technology systems. The data is analyzed to identify trends and areas in need of process improvements to better serve MDARD's customers.

Commissioners expressed concerns with data driven measures versus the human aspect, emphasizing the importance of serving customers in the field and not getting lost in the data.

Chief Deputy Director explained how the data is reviewed along with the processes to identify if the department is performing effectively and where improvements might be needed. Supervisors have individual bi-weekly conversations with staff to also learn the personal stories behind the metrics.

In response to a question of tracking employee happiness, Mr. Bambenek shared the process of the Employee Engagement Survey that occurs every 18-24 months for all State of Michigan agencies, specifically, the Employee Landscape results. On the most recent survey, MDARD improved 5 percent, resulting in a 72 percent Champions level. The Champion level represents staff signifying a high level of engagement and likelihood of staying with the department.

ANIMAL DISEASE UPDATE: Nora Wineland, State Veterinarian and Animal Division Director and Megan Moriarty, Wildlife Veterinary Specialist, Michigan Department of Natural Resources

Dr. Wineland provided an update on bovine tuberculosis. Only one infected cattle herd was reported this year, in January, on a small dairy farm in Oscoda County. A new Memorandum of Understanding (MOU) for split state status regarding the risk of bovine tuberculosis was signed by MDARD, MDNR, and the U.S. Department of Agriculture. The MOU is effective until April 15, 2025. Dr. Wineland shared some of the updates and details of the MOU.

Dr. Moriarty provided an update on tuberculosis in white-tailed deer and the trends over time. The data provided only includes free-ranging (wild) deer.

In response to questions from Commissioner Meintz, Dr. Wineland indicated privately owned deer are evaluated for tuberculosis; however not included in the current MOU. This is under review and may be included in the next MOU.

Dr. Moriarty shared new wildlife tools under development, including the Force of Infection model that shows the rate of new bTB infections and geographic areas of highest disease transmission over time. A bTB vaccine is currently under development for white-tailed deer, but research is still ongoing to determine the best method of vaccine delivery.

Dr. Wineland provided an update on Highly Pathogenic Avian Influenza (HPAI). In January, the U.S. Department of Agriculture reported the first case of HPAI in wild birds in South Carolina. Indiana reported their first case in early February. Michigan followed with the first case of backyard HPAI in late February. The first, and only Michigan case so far, in commercial flocks was reported in May from a turkey producer in Muskegon County. More than 35,000 birds were depopulated.

Biosecurity efforts have increased, limiting the transmission of the virus. A stop order was also issued for fairs and swap meets. Communication and outreach with key stakeholders has been critical during the outbreak.

Dr. Moriarty reported on MDNR's role with wild birds and HPAI. The most susceptible birds are waterfowl and shore birds; raptors; and scavengers. Passive surveillance is being conducted based on watershed boundaries and treated on a case-by-case basis.

In response to Commissioner Meintz's question regarding the transmission of the virus, Dr. Moriarty stated birds have a viral shedding period of 10-14 days. Dr. Wineland confirmed the incubation period is 14 days. Some wild birds can be carriers, but not effected by the virus, while others are susceptible to disease and death following

infection. This virus is behaving differently than previous outbreaks. The length of time a wild bird carries the virus and shares it is unknown.

ECONOMICS AND GAP BETWEEN ON-FARM AND CONSUMER PRICING: David Ortega, Associate Professor, Department of Agricultural, Food, and Resource Economics, Michigan State University

Dr. Ortega shared how the farm share of the food dollar is calculated. The food dollar is defined as the U.S. consumer expenditures on domestic food and beverage. The U.S. Department of Agriculture shows \$.16 of every dollar spent on food goes back to the farm with \$.08 going to the farmer and the other \$.08 going to other pre-farm activities, such as fertilizer and seed providers. The bulk of the food dollar goes to the marketing bill, the activities post farmgate that add value to the product. The more processed the food product, the lower the farm share.

Another factor effecting the farm share is the market structure. The processing sector is highly concentrated. Over 2/3 of items at grocery stores are produced by one of four companies within a given category. These companies determine the price consumers pay and how much the producers are compensated. Trends show the association between the degree of consolidation in the industry and the gap between what farmers receive and consumers are paying at the grocery stores.

Dr. Ortega shared an example of increased costs in the beef industry. While the supply of beef has not decreased, the consumers' demand for processed beef has increased, raising the prices at the grocery stores. Other factors effecting the increasing price of food includes consumer behavior, labor shortages, transportation issues, supply chain disruptions, oil/gas price increases, supply effects of the Russia-Ukraine war, and limited fertilizer exported from China.

Commissioners expressed concerns with increased food prices and the consumers' perception of the money going directly to the farmer. Additional concerns included the effects of macroeconomics that are causing farms to expand to stay profitable, attracting more farmers and labor, and whether the government should play a role in diversifying the food systems to create more food security. In response, Dr. Ortega spoke about the importance of increased attention on the food supply. He emphasized the significance of analysis and information for decision making, communicating and educating consumers, and communicating to legislators.

In response to Commissioner Chae's questions on how to attract more farmers and make minimally processed foods more accessible, Dr. Ortega spoke of the farm to table movement and local, urban farm outreach to the younger generations.

**FOOD AND AGRICULTURE INVESTMENT FUND REQUEST: Jamie Zmitko-Somers,
Division Director, Agriculture Development Division**

Ms. Zmitko-Somers advised five Food and Agriculture Investment Program project requests are being presented for Commission consideration today.

The first project is Townline Poultry Farm, established in 1913 as a cow farm. Due to the growing poultry industry in town, it quickly became a chick hatchery. Today, Townline raises their own breeder flocks of 40,000 hens and produces corn on 300 acres as feed for the breeder hens.

Fourth generation owners and cousins, John Geerlings and Katie Geerlings, shared details around their \$3,549,396 investment. Their business has continued to grow for the past ten years, but most significantly during the last two years. The expansion will allow them to meet current customer demand, as well as site improvements including a hatching tray washer room, updated machinery to meet biosecurity requirements, and many energy-efficient upgrades.

Following questions around the project, Ms. Zmitko-Somers advised MDARD is recommending a Food and Agriculture Investment Fund performance-based grant of \$75,000 for Townline Poultry Farm.

MOTION: COMMISSIONER KING-MCAVOY MOVED TO APPROVE A FOOD AND AGRICULTURE INVESTMENT FUND PERFORMANCE-BASED GRANT OF \$75,000 FOR TOWNLINE POULTRY FARM. COMMISSIONER WYANT SECONDED. MOTION CARRIED.

Ms. Zmitko-Somers advised the second request is Wine Chips Inc., a gourmet potato chip company operating out of Huntington Beach, California since 2019. The company is interested in relocating their operation to Paw Paw, Michigan, given its desirable geographic location for production and distribution.

Co-founder Jonathan Strietzel shared details of the \$1,185,000 project, noting the investment will allow them to move the company to Paw Paw, build the company's flagship manufacturing facility, and invest in equipment. The project will create 25 jobs and enable Michigan chip potatoes to be used for chip production. Wine Chips Inc. has secured contracts with local farmers to purchase potatoes.

Ms. Zmitko-Somers advised MDARD is recommending a Food and Agriculture Investment Fund performance-based grant of \$65,000 for Wine Chips Inc.

MOTION: COMMISSIONER CHAE MOVED TO APPROVE A FOOD AND AGRICULTURE INVESTMENT FUND PERFORMANCE-BASED GRANT OF \$65,000 FOR WINE CHIPS INC. COMMISSIONER KING-MCAVOY SECONDED. MOTION CARRIED.

Ms. Zmitko-Somers advised the third request is Great Lakes Malting Company, located in Traverse City, Michigan. The company was founded in 2016 with a mission of connecting Michigan farmers to breweries and distilleries throughout the state. Great Lakes Malting Company currently malts barley, wheat, rye, oats, spelt, triticale, and a variety of other specialty grains.

President and Co-Founder, Jeff Malkiewicz, explained the three-step malting process and shared the cost for brewers to use locally grown grains is less than \$.25 per pint of beer and less per volume for spirits. Demand for malted grain has increased tremendously over the last 18 months. The \$280,630 project will allow Great Lakes Malting Company to purchase two more germinating vessels, doubling their current processing of 150 tons of grain per year, thus also increasing the need for local grain.

Ms. Zmitko-Somers advised MDARD is recommending a Food and Agriculture Investment Fund performance-based grant of \$40,000 for Great Lakes Malting Company.

MOTION: COMMISSIONER BERGDAHL MOVED TO APPROVE A FOOD AND AGRICULTURE INVESTMENT FUND PERFORMANCE-BASED GRANT OF \$40,000 FOR GREAT LAKES MALTING COMPANY. COMMISSIONER WYANT SECONDED. MOTION CARRIED.

Ms. Zmitko-Somers introduced the fourth request from King Milling Company, a family-owned and operated business from Lowell, Michigan. King Milling Company has been producing flour and wheat products since 1890.

President Brian Doyle introduced Executive Vice President Jim Doyle and shared the history and recent growth of the King Milling Company. The \$42.5 M project will include a grinding bin, wheat cleaning capacity, 8 finished flour bins, a quality assurance lab, and 6 new jobs. The proposed addition will increase production capacity by one million pounds per day, creating more opportunities for Michigan wheat growers. The new equipment will be more energy efficient and have automated, state of the art technology.

Ms. Zmitko-Somers advised MDARD is recommending a Food and Agriculture Investment Fund performance-based grant of \$250,000 for King Milling Company.

MOTION: COMMISSIONER BERGDAHL MOVED TO APPROVE A FOOD AND AGRICULTURE INVESTMENT FUND PERFORMANCE-BASED GRANT OF \$250,000 FOR KING MILLING COMPANY. COMMISSIONER KING-MCAVOY SECONDED. MOTION CARRIED.

Ms. Zmitko-Somers introduced the fifth request from La Colombe Coffee Roasters, located in Norton Shores of Muskegon County. La Colombe produces cans of coffee and coffee / milk products, which are sold in over 50,000 locations nationwide.

Neil Toensmeier, Senior Director of Production, shared details of the company's leadership philosophy and plans for the new production facility. The \$38 M new production facility will create a new high-speed bottling line for a 42-ounce multi-serve product in Allendale, Michigan and create the largest cold brew production facility in the

U.S. Moving the multi-serve line to the new facility will allow for increased production of the 9-ounce and 16-ounce products. La Colombe expects to increase Michigan milk usage from 3.5 million gallons to more than 7 million gallons of milk annually. The project is expected to create 74 new jobs at the new facility in Allendale.

Ms. Zmitko-Somers advised MDARD is recommending a Food and Agriculture Investment Fund performance-based grant of \$200,000 for La Colombe Coffee Roasters.

MOTION: COMMISSIONER BERGDAHL MOVED TO APPROVE A FOOD AND AGRICULTURE INVESTMENT FUND PERFORMANCE-BASED GRANT OF \$200,000 FOR LA COLOMBE COFFEE ROASTERS. COMMISSIONER KING-MCAVOY SECONDED. MOTION CARRIED.

BUDGET UPDATE: Sylvia Renteria, Director of Finance and Budget

Ms. Renteria provided an update on the Fiscal Year (FY) 2023 budget process. Since February, there have been eight appropriation sub-committee hearings with the Senate and House of Representatives focused on current investment proposals. She reviewed the FY 2022 budget versus the FY 2023 Executive, House, and Senate recommended budgets, noting the differences due to General Fund investment recommendations. Ms. Renteria also reviewed the smaller differences in the federal and technical recommendations.

There are two supplementals before the legislature. Senate Bill 885 would provide \$1.4 billion for MDARD, including allocations for farmers markets, food banks, infrastructure, and housing, among other categories. Discussions regarding FY 2023 base operations are current priority before discussions will move forward on Senate Bill 885. House Bill 5783 reverses a one-time deposit of \$3.2 million from the General Fund into the Agriculture Equine Industry Development, provided in the FY 2022 budget. More discussion is needed to understand the fund and how it operates.

The next step in the FY 2023 budget process is the Estimating Revenue Conference on May 20 to settle on General Fund targets. From there, discussions move to conference committees for the Senate and House to resolve differences. The goal is to get a balanced budget to the Governor by July 1.

LEGISLATIVE UPDATE: Ashley Steffen, Director of Policy Development and Legislative Affairs

Ms. Steffen referred to the MDARD Legislative Update provided to the Commissioners and reviewed status and activity around bills of interest to the department

PUBLIC COMMENT

No public comment on non-agenda items was requested.

ADJOURN

MOTION: COMMISSIONER CHAE MOVED TO ADJOURN THE MEETING. COMMISSIONER KING-MCAVOY SECONDED. MOTION CARRIED.

There being no further business, the meeting adjourned at 12:24.

Attachments:

- A) *Agenda*
- B) *Agriculture and Rural Development Commission Meeting Minutes March 16, 2022*
- C) *Retirement Resolutions for Sean Dunleavy and Scott Kat*
- D) *Director May 18, 2022 – Issues of Interest Report*
- E) *MDARD Goals and Outcomes Presentation*
- F) *Animal Disease Update Presentation*
- G) *Economics and Gap Between On-Farm and Consumer Pricing Presentatino*
- H) *Food and Agriculture Investment Program Project Briefing Memos:*
 - a. *Townline Poultry Farm*
 - b. *Wine Chips, Inc.*
 - c. *Great Lakes Malting Company*
 - d. *King Milling Company*
 - e. *La Colombe Coffee Roasters*
- I) *MDARD Budget Update Presentation – May 18, 2022*
- J) *MDARD Summary of 2021-2022 Michigan Legislature – May 18, 2022*

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT
RESOLUTION COMMENDING

Mark Swartz

The Michigan Commission of Agriculture and Rural Development is pleased to recognize and honor Mark Sadler Swartz upon his retirement from the State of Michigan, Department of Agriculture and Rural Development on May 28, 2022.

Mark was born in Waterloo, Iowa, on August 6, 1962. Mark's family moved to Ohio in 1963 and later to Michigan in 1971. Mark played on the Big Rapids High School football team and graduated in 1980. He received a Bachelor of Science degree from Michigan State University (MSU) in 1985 and a Master's Degree in Resource Development in 1988. While at MSU, Mark enjoyed rowing for the Crew Team and still enjoys watching the event today.

Mark began his career in 1990 working in the Michigan Department of Agriculture and Rural Development's Pesticide and Plant Pest Management Division on Michigan's Groundwater and Freshwater Protection Act. In 1999, he transferred to the Environmental Stewardship Division where he worked in a variety of positions over the years, including Environmental Performance Officer, Resource Conservation Section Manager, and finally as Deputy Director for the Division focusing on lean process improvement, database development, and metrics.

Mark has become the 'go-to' person for a variety of highly specialized projects and assignments, including the Conservation Reserve Enhancement Program's database development and automating document generation in the database for the Farmland and Open Space Preservation Program.

In his many roles, Mark is always ready for new challenges and easily able to adapt to changing and evolving job duties. He has contributed positively to the culture and accomplishments of the department through his leadership, knowledge, engagement, and customer service.

Mark looks forward to retirement years with his wife, Debbie, and their daughter Natalya. He plans to learn Japanese timber framing, continue blacksmithing endeavors at Tillers International, travel with his daughter to California this summer, and more travel with his wife, upon her retirement.

The Michigan Commission of Agriculture and Rural Development commends Mark Swartz for his more than 30 years of resolute 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 Mark's family, friends, and colleagues in wishing him a long and happy retirement and remarkable success in future endeavors.

Adopted May 27, 2022
Lansing, Michigan



Charlie Meintz, Chair

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT
RESOLUTION COMMENDING

STANLEY HUGH KUCHTA

The Michigan Commission of Agriculture and Rural Development is pleased to honor Stanley Kuchta for his 32 years of service with the Michigan Department of Agriculture and Rural Development upon his retirement on July 29, 2022.

Stan grew up in Garden City, Detroit, and Harper Woods. He attended Bishop Gallagher High School.

Stan pursued his college education at Michigan State University, completing a Bachelor of Science Degree in Botany and Plant Pathology.

He began his career with the Pesticide and Plant Pest Management Division in 1990 in the Detroit area as a Pesticide and Plant Health Inspector. In 1992, he became a Pesticide Inspector and in 1994 he became a Plant Health Inspector. He has held his current position as a Plant Health Lead Inspector since 1998. Stan has served as a subject matter expert on several complex export issues over the years and he was instrumental in developing an inspection protocol that allowed bumble bees to be exported out of the country.

Stan is an active member of many organizations. He served on the Michigan Nature Association Board from 1986 to 2021. In 2013, he received the Richard W. Holtzman commendation from the Michigan Nature Association recognizing his years of selfless service. He has served as a lead volunteer for the U.S. Fish and Wildlife Service, Chicago Ecological Services Office since 2016. He has been a member of the Horticulture Inspector Society since 1990 and he has been a member of the North American Invasive Species Management Association since 2020.

Stan is married to Brenda Kuchta and they have two children. Their son, Alexander Henry Lee Kuchta, was married last year and their daughter, Kayla Choon Hee Kuchta, will be married later this summer.

In his retirement, Stan plans on preparing for his daughter's wedding in British Columbia, spending winters on the west coast, hiking the national parks, and traveling to Hawaii, Korea, India, Northern Ireland, and Poland. He also plans on continuing to contribute toward new collections for the Michigan Flora Project and the University of Michigan Herbarium and consulting with the U.S. Fish and Wildlife Service on Michigan listed species projects.

The Michigan Commission of Agriculture and Rural Development commends Stanley Hugh Kuchta for 32 years of dedicated service to the Michigan Department of Agriculture and Rural Development and the people of the State of Michigan. The Commission joins his family, friends, and colleagues in wishing him a long and happy retirement.

Adopted July 13, 2022
Lansing, Michigan



Charlie Meintz, Chair



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STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWELL
DIRECTOR

DATE: July 20, 2022
TO: Michigan Commission of Agriculture and Rural Development
FROM: Jamie Zmitko-Somers, Director, Agriculture Development Division
SUBJECT: Ethel's Baking Company – Food & Agriculture Investment Program

Background

Ethel's Baking Company is a premium producer of gluten-free dessert bars found in the fresh bakery sections of more than 350 stores in Michigan and across the Midwest. Founded in 2011, the company's debut at a local food establishment spurred on a business and brand that can be found in local, regional, and nationally known retailers such as Meijer, The Fresh Market, Safeway, Fresh Thyme, Wegman's, Plum Market, Hiller's Market, Fresh Farms, and Whole Foods Market. Growth over the last decade has meant expanding to less than 1,300 square feet of production space to more than 15,000 square feet of production space.

Project Description

The company is intending to add equipment and machinery to its current building in Shelby Township, enhancing baking capacity to meet increasing demand. The equipment will not only be utilized for increased production for current stock keeping unit (SKUs), but also produce cookies; a new product line offering. The upgrades and expansion will also improve employee/operator safety and ergonomics, as well as facilitate the opportunity for the hiring of additional team members. The machinery planned in the expansion will contribute towards consistent consumer experience of products, enhance food safety and preventative controls, and allow Ethel's Baking Company to make an important and significant step in corporate growth, serving a growing sector and engage in detailed conversations with target retailers such as Costco and Target. Ethel's has been approached by Canadian retailers as well and this expansion will likely make it a reality for Ethel's to have the capacity to export to Canada.

Impact on Michigan's Agriculture Industry

Ethel's has been and will remain committed to Michigan production agriculture. The company's single largest raw material purchase is butter, procured from Michigan Milk

Producers Association. Annual purchases in 2022 are expected to close at 210,000 pounds, while 2023 forecasts are 305,000 pounds of butter. The company expects to purchase 29,000 pounds of honey by the end of next year, much of that coming from Michigan-based company, Honey Tree. Honey forecasts for 2023 are 36,000 pounds. The company is committed to purchasing packaging from Michigan and the expansion will increase those purchases, as well.

Additional Impacts

Energy usage will be reduced through the upgrade, with production occurring on one shift while adding to the overall company workforce. Ethel's is a "second chance" employer, often hiring from MichiganWorks! candidate pools and Families Against Narcotics. The upgrade will allow for improved ergonomics for production staff and create opportunities for staff to "move up" within the team to additional positions. All employees are trained on ServSafe and in food allergen awareness, issues, and protocols.

MDARD Staff Recommendation

Michigan Department of Agriculture and Rural Development staff recommend the Michigan Commission of Agriculture and Rural Development approve a Food and Agriculture Investment Fund performance-based grant of \$60,000.



GRETCHN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

GARY MCDOWELL
DIRECTOR

DATE: July 20, 2022
TO: Michigan Commission of Agriculture and Rural Development
FROM: Jamie Zmitko-Somers, Director, Agriculture Development Division
SUBJECT: Pop Daddy Popcorn – Food & Agriculture Investment Program

Background

Pop Daddy Popcorn started in a family home kitchen popping Ruby Red Popcorn Kernels sourced from the Ann Arbor area. The homemade popcorn became so popular with friends and family that in 2010, the Safara family started a small business and sold the popcorn at farmers' markets and local street fairs in eastern and southeast Michigan. As the business outgrew the family kitchen in 2013, Pop Daddy Popcorn began operating out of a former bakery facility in Highland, Michigan, sharing 1,200 square feet of commercial kitchen space with other companies. The company grew and in 2016 moved into its current facility in Whitmore Lake, which houses 4,550 square feet of production space. Expanding in and on that site, the company currently operates out of 16,000 square feet in three buildings on the Whitmore Lake campus producing not only popcorn, but seasoned pretzels that are sold across the U.S. and Canada in 9,000 retail locations. The company has started export sales to Europe and is working on sales chains into Israel and the United Arab Emirates, as well.

Project Description

Pop Daddy Popcorn's decision to continue to invest is a result of current growth trends and its vision and commitment to future growth in the snacking sector in the U.S. and abroad. Equipment will be added to the facility and incorporated into two existing manufacturing lines and will include a seasoning system, allowing continuous flow seasoning to popcorn, and three additional corn popping kettles. Beyond upgrading the two current manufacturing lines, two new fully-automated manufacturing lines will be added to the Pop Daddy Popcorn facility, as well. These lines will season and package popcorn and pretzels from beginning to end. The investment for the expansion is \$1,500,000 and will allow for an additional 63 jobs to be created.

Impact on Michigan's Agriculture Industry

Pop Daddy Popcorn will purchase approximately 168,000 pounds of popcorn kernels from Michigan growers in 2022, representing a 50 percent year-over-year gain in kernel procurement. Forecasts for 2023 are nearly double the 2022 number and expected to be around 300,000 pounds of Michigan popcorn kernels purchased. Bur Oak Farms, near Ann Arbor, has been the primary supplier of this raw material and is committed to growing with Pop Daddy Popcorn as the company grows and targets additional national retailers, including but not limited to HEB and Giant Eagle. The company works closely with the Michigan State University Product Center for food manufacturing and labeling support and guidance. Pop Daddy Popcorn's forward leaning attitude in business and commitment to Michigan has generated over \$8 million in revenue annually, with outyear projections suggesting \$16 million in annual revenue as early as 2023. Warren-based Lipari Foods distributes Pop Daddy Popcorn across Michigan and the U.S. Michigan-based Meijer has been a committed partner, retailing the company's products at more than 240 supermarkets and 220 express gas stations.

Additional Impacts

As part of the overall expansion, halogen lighting will be replaced by LED lighting in the warehouse, contributing towards further energy efficiency. Pop Daddy Popcorn recycles waste oil. The company works with Skills and Abilities of Livingston County to hire adults with disabilities to work in the packaging area. The company prides itself on facilitating employee professional development, including but not limited to food safety certification training, industry networking to understand "best practices," and providing opportunities for management training.

MDARD Staff Recommendation

Michigan Department of Agriculture and Rural Development staff recommend the Michigan Commission of Agriculture and Rural Development approve a Food and Agriculture Investment Fund performance-based grant of \$65,000.

Michigan Department of Agriculture and Rural Development

Migrant Labor Housing Advisory Board 2022 Recommendations Report

April 29, 2022



EXECUTIVE SUMMARY

The Migrant Labor Housing Advisory Board (MLHAB) serves in an advisory capacity to the Director of the Michigan Department of Agriculture and Rural Development (MDARD). The 14-member appointed Board has compiled the following recommendations to the Director of MDARD:

Housing Investment Recommendation – Establish a \$50,000,000 fund to improve living conditions, housing options, and mitigate the spread of communicable diseases, improve housing efficiency while reducing operational cost. The program shall be available for on-farm and off-farm housing for 13,000 or more migratory farmworkers over the next five (5) years.

Housing Design Recommendation – Recognizing the need for new and additional housing (being provided either free or at a minimum cost to worker), MDARD is advised to take a four-tiered approach toward expanding safe, economical, efficient, adaptable, modernized, and comfortable housing designs to accommodate migrant and seasonal labor housing needs. MDARD should work with operators, occupants, building and health professionals to update sample housing plans. Plans should include modern materials and construction techniques.

Siting and Zoning Recommendation – MDARD is advised to facilitate the development of informational guidance materials regarding siting, zoning, and construction of housing suitable for licensing under the Public Health Code. To assist local decision-making, the guidance shall be distributed to appropriate municipal parties through Interagency Migrant Service Committee members, Michigan State University Extension, Migrant Labor Housing inspectors and/or other groups.

Broadband Recommendation – Coordinate with appropriate state/federal agencies, commissions, communities, and providers to ensure coverage for housing occupied by farmworkers and their families, food packers, food processors, and agriculture related businesses are made a high priority in Michigan's plans to deliver high-speed internet.

Access and Relations Recommendation – To expand housing options, MDARD is advised to establish regionally located model housing demonstration facilities providing access to local planning agencies, potential housing operators/occupants and community members.

The Board believes these programmatic recommendations and resources are necessary to improve migrant labor housing conditions that attract and retain a labor workforce critical to the success of Michigan agriculture, including the state's significant specialty crop production.

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MIGRANT LABOR HOUSING ADVISORY BOARD OVERVIEW

The Migrant Labor Housing Advisory Board (MLHAB) serves in an advisory capacity to the Director of the Michigan Department of Agriculture and Rural Development (MDARD). The creation of this board is authorized under Part 124 of the Public Health Codeⁱⁱ, Agricultural Labor Camps, at MCL 333.12421. The basic function of the MLHAB is to provide programmatic recommendations to improve migrant labor housing conditions that attract and retain a migrant labor workforce critical to the success of Michigan agriculture including specialty crops.

MLHAB Appointments

As required under Rule 325.3603 of Part 124, Act 368, as amended, MDARD Director appointed 14 members to the MLHAB. The following individuals representing both migrant labor and agricultural production appointed to the MLHAB in February 2021:

- Evangelina Alvarez, Kalamazoo
- Craig Anderson, Lansing
- Jesse Costilla, Bay City
- Adam Dietrich, Conklin
- William Groenink, Holland
- Joann Hoganson, Walker
- Trever Meachum, Hartford
- Guadalupe Perales, Lansing*
- Francisco Posada, Ludington
- Ann Rocha, Hart
- Jose Santana Roman-Mota, Manistee
- Dorian Slaybod, Grand Rapids
- Beth VanDrie, Lake City
- Mark Miezio, Suttons Bay

* Resigned March 2021

MLHAB Identified Challenges

Migrant farmworkers play a critical role in the planting, cultivating, harvesting, and packaging of 38 labor-intensive crops grown in Michigan. These crops generate an estimated \$2.3B in farm gate revenues each year with additional \$1.9B in economic benefit through food processing and packing. Past exit surveys from the Hope Arkansas Migrant Center indicate two things attract workers to Michigan – the diversity of our crops and the quality of our licensed housing.

The COVID-19 health pandemic highlighted the need for agricultural labor housing that would provide basic public health protections and safe social distancing deemed critical to maintaining the viability of this vital workforce to Michigan's economy. Furthermore, the significant increase of the legally authorized foreign agricultural workforce under the H-2A foreign labor visa program has highlighted barriers to construction of or opening new housing for domestic and visa holding temporary agricultural workers.

In addition, several rural Michigan housing challenges were identified in the Michigan Food and Agricultural Housing Task Force Report dated January 2021 [White Paper](#) and the Michigan Department of Civil Rights Migrant and Seasonal Farmworkers Enumeration Studies [Enumeration Studies](#). These included:

1. Lack of funding to assist growers in updating or building new housing units.

2. The need for legislative action to incentivize housing improvements and capacity.
3. More detailed statistical information on agricultural workforce housing and issues.
4. Engage in local planning and zoning to educate and inform local units of government about this type of housing and its importance to the state and its economy.

MIGRANT LABOR HOUSING ADVISORY BOARD PROCESS

The MLHAB met seventeen times between February 2021 and April 2022 to discuss issues of mutual importance, worked with a facilitator to define issue categories, and with Subject Matter Experts (SME) to craft specific recommendations.

MLHAB Meetings

The reconvening of the MLHAB by MDARD Director Gary McDowell in February of 2021 was a major step to address these challenges. The MLHAB meetings were open to the public and SMEs from various state agencies, industry, and stakeholders were selected to provide input and act as a valuable technical resource to the MLHAB members. During the initial meetings, presentations were scheduled to gain a common understanding of programming, rules, laws, and regulations applicable to the migrant labor workforce. A MLHAB [webpage](#) is dedicated for public transparency and retains meeting agendas, notes, and other supporting documentation.

Michigan State University Extension (MSUE) Facilitator

The MLHAB secured an agreement with MSUE to host facilitated workshops with MLHAB members in April of 2021. The objective of these workshops was to brainstorm and identify program, policy, or legislative changes necessary to improve and enhance agricultural housing options. Outcomes and ideas generated from these sessions were categorized as follows:

- Adequate Access for Appropriate Community Resources
- Housing Development for Farmworker Families
- Improving Housing Education Inspection
- Improving Quality of Housing Focused on Occupant Well-Being
- Migrant Housing Design & Structural Regulations
- Providing Funding & Resources for Migrant Housing
- Uniform Food & Agriculture Housing Zoning Regulations

MLHAB Recommendation Development

The need for migrant housing solutions is regionalized, complex, and multifaceted; accordingly, there are multiple different resolutions that could meet the needs of these communities.

Additional resources from other state agencies to address housing supplemented the work of the advisory board. The MLHAB members and SMEs targeted the broad categories identified from the MSUE facilitated workshop sessions and worked them into formal, specific, and targeted recommendation statements. The group also recognized the potential need for legislative support and intends to continue to develop recommendations in that regard when they reconvene after the growing season.

The MLHAB reviewed, modified, and eventually approved in concept recommendations in the following areas: Housing Investment; Housing Design; Broadband Connectivity; Siting and Zoning; and Community Relations.

Additional resources available from other state agencies to address housing were also recognized. These include [The Michigan State Housing and Development Authority](#), grants from MDARD Agricultural Development Division and [USDA](#).

MLHAB Housing Investment Recommendation

The MLHAB recommends the state of Michigan dedicate \$50,000,000 in Coronavirus Aid, Relief, and Economic Security Act or other funding source(s) over the next five (5) years to:

- **Improve living conditions for on-farm and off-farm housing for 13,000 or more migratory farmworkers;**
- **Increase housing options in rural and remote agricultural areas in Michigan, and attract much needed labor to Michigan’s agriculture industry;**
- **Help mitigate the spread of communicable diseases within the migrant workforce and farming industry;**
- **Reduce greenhouse gas emissions through improved housing efficiencies and energy generation, where applicable.**

Background and Discussion:

Migrant farmworkers play a critical role in the planting, cultivating, harvesting, packaging, and processing agricultural products produced in Michigan. These crops generate an estimated \$2.3B in farm gate revenues each year with additional \$1.9B in economic benefit through food processing and packing. Exit surveys from the Hope Arkansas Migrant Center indicate two things attract workers to Michigan – the diversity of our crops and the quality of our licensed housing.

Migrant Labor Housing (MLH) is most frequently provided by farmers at little or no cost to migrant workers. Migrant housing is needed to attract workers but unlike apartments, motels, or other accommodations they do not generate a profit for the farm. As such initial cost of housing is a significant factor in housing investments. Thirty-seven percent of licensed housing in Michigan has been in service for more than 20 years much of that being used as mobile homes that were purchased at the end of their commercial lifecycle. While initial costs were low, these units now have high upkeep, energy costs, and are unattractive to migrant farmworkers and their families. Off-farm housing operators, including non-profit partners have also shown to be capable of providing safe, seasonal housing for farmworkers and their families in Michigan. Prior to 2005, Michigan invested \$9.4M in MLH improvements leveraging \$32.6M in farmer investment in housing quality. From 2005 to 2007 the U.S. Department of Labor invested in \$670,000 in new housing construction leveraging \$2.3M in new migrant labor housing. Since the economic downturn in 2007-2009, there have been no active grant programs for on-farm housing construction, updating, or enhancements to improve living conditions for migrant farmworkers.

The state of Michigan needs to invest in this infrastructure to retain this vital sector of Michigan’s agricultural economy. This process should include attracting additional minimal or no cost seasonal housing providers.

Both farmers and the migrant labor workforce were seriously affected by the 2020 COVID-19 health pandemic due to travel restrictions, additional personal protective equipment, testing costs, and reserving already scarce housing for isolation and quarantine requirements.

Ninety-three percent of current licensed MLH providers did not have access to additional housing they could use for COVID-19 isolation of their migrant workforce and families.

This recommendation will mitigate the impact of current and future health pandemics affecting a highly vulnerable population residing in high density occupancy with long outdoor working hours and limited access to healthcare. Modernization of farmworker housing construction is essential to meeting the health, safety, and well-being of farmworkers in Michigan. It is anticipated that housing units constructed with this funding will be equipped with modern climate control, easy to sanitize surfaces, and movable interior partition walls to accommodate different family sizes, as well as isolation of individuals with communicable illness such as COVID-19. (Ottawa Survey)

The outcome of this investment will be to modernize housing standards to meet 21st century needs providing 1,700 new or upgraded living units for 13,000 migrant workers and family members in Michigan, in line with the 2021 Michigan Food and Agriculture Housing Report recommendation to build new farmworker family housing while partnering with off-farm housing development and management organizations. Seasonal housing for low-income marginalized communities is also a component of Michigan's draft Statewide Housing Plan. This recommendation dovetails with MSHDA's mission to expand availability of safe, quality, and affordable housing, remove barriers to housing, improve housing stability, assist in strong community development, and work with partners to achieve this mission. Model housing plans developed by MDARD, and Habitat for Humanity will serve as the basis for this effort and will be updated to reflect current challenges.

MLHAB Housing Design Recommendation

Recognizing the need for new and additional housing, the Migrant Labor Housing Advisory Board recommends that MDARD take a four-tiered approach toward expanding safe, economical, efficient, adaptable, modernized, and comfortable housing designs to accommodate migrant and seasonal labor housing needs. The MLHAB acknowledges many of these facilities must be provided either free or at a minimum cost to workers. The recommended tiers include:

- **Develop and/or update construction plans in support of improved living conditions and housing options for migratory farmworkers and their families;**
- **Make available a “good” “better” “best” classification to allow modernization efficiencies, adaptability for diverse occupants, and stimulate adoption of new construction technologies;**
- **Inclusion of building and environmental health professionals in plan design development;**
- **The department shall support model unit construction to demonstrate efficient and economical construction options.**

The MLHAB acknowledges many, if not most, housing facilities must be provided either free or at a minimum cost to migrant workers under the Agricultural Recruitment System and the federal Job Order proceduresⁱⁱⁱ. To offset the increasing cost to build, acquire, or lease, the MLHAB recommends a different approach to the traditional building models currently in place using a four-tiered approach that seeks to expand economical, efficient, adaptable, modernized, and comfortable migrant and seasonal labor housing. Considerations include:

- Gather available information on housing operation, renovation, and new construction practices for inclusion in migrant and seasonal agricultural worker model housing plans, operation practices and, where necessary, regulatory modification with a focus on increasing economical housing options, attracting necessary workers, mitigation of communicable diseases and improved worker health.
- The National Agricultural Worker Survey ^{iv}(NAWS) study <http://www.ncfh.org/naws-fact-sheet.html> provides some guidance on families suggesting a need to improve understanding of housing for unrelated occupants:
 - Sixty-nine percent of farmworkers were men.
 - Farmworkers' average age was 41, and median age was 40.
 - Fifty-seven percent of farmworkers were married, and 50 percent had children.
 - Thirty-eight percent of farmworkers were living apart from all nuclear family members at the time of their interview. Eighty-one percent of unaccompanied farmworkers were single workers without children, 12 percent were parents, and 6 percent had a spouse but not living together.
- Collaborate with state/federal agencies, non-governmental organizations, building/design professionals, material suppliers, and current operator/occupants to gather model plans and innovative solutions to common housing challenges for consideration by the MLHAB and/or designated MDARD staff.

- Work with housing providers to identify most common challenges with cost-effective housing including siting, construction, renovation, occupancy, maintenance, and operation.
- Facilitate completion of energy audits at existing licensed housing to identify cost-effective energy conservation options for the retrofit of existing structures and for inclusion in model plans.
- Seek expertise in construction, energy efficiency, public health, and housing design to review and summarize options to address items identified above and present tradeoffs to the MLHAB and designated MDARD staff.
- The MLHAB will categorize, in coordination with MDARD, and recommend classifications identified in Tier 1 as “good”, “better”, and “best.” Categories may include anticipated code and/or regulatory changes. The categories may or may not be used for preference under the MLHAB Housing Investment Recommendation for funding. Operator provided additional upgrades shall be acknowledged under the “best” category.
- Procuring the services of an architect or other professional to integrate MLHAB recommendations into the most used model housing plan, as determined by MDARD, including capabilities of being expanded in module or multi-plex style.
- Identify external resources and stakeholders willing to procure, donate, and/or bid for model housing manufacturing/installation/construction through an MDARD program to demonstrate cost optimization, additional design considerations and group purchasing potentials under Tier 2 classifications.

These four tiers may run concurrently and not all items need to be completed by MDARD to establish housing fund eligibility under MLHAB Housing Investment Recommendation.

The MLHAB recommends MDARD complete the four tiers with a focus on effective retrofitting compared to new construction within six months using the former MDARD Construction Grant Program as a model to establish the MLHAB Housing Investment Recommendation grant structure within one year. MDARD shall concurrently propose Part 124 MCL 325.3641 “Construction Grant Program” operational rules and/or procedures for review by MLHAB.

Evaluating Success

Outputs and/or milestones could include a five percent increase in approval of new licensed facilities over the past five-year average. Record number of approved licenses under the “good,” “better,” “best” options and the number of new units by manufacturing types. Old housing units taken out of use or removed and replaced will be recorded. Age and type distribution of licensed housing from electrical and heating affidavit dates as well as other available data will provide an auditing process.

Agricultural Housing Design

The MLHAB envisioned a path to achieve up-to-date, comfortable, durable, energy efficient, and cost-effective supply of migrant and seasonal labor housing. This vision goes beyond what is

currently considered as adequate safe housing expressed in the Public Health Code and federal regulations. The MLHAB recognizes the need to meet state and federal standards while incorporating new concepts in worker safety, heat stress, communicable disease understanding, international shifts in crop production and economics. As MDARD ([MLH Licensing](#)) develops implementation plans, it seems prudent that MDARD should look toward a “good”, “better”, and “best” housing classification. The MLHAB will assist with plan development through a review and comment process focused on the good”, “better”, and “best” concept. Below are ideas and actions for MLHAB discussion and prioritization.

- Review of renovation, rebuilding, new construction, and model plans development/revision should incorporate the idea of classifying features into three levels to be included in housing funded in MLHAB Housing Investment Recommendation:
 - “Good” – This level will meet MDARD Part 124 requirements ([MLH](#)), [Michigan Occupational Safety and Health Administration/Occupational Safety and Health Administration \(MIOSHA/OSHA\)](#), and [Employment and Training Administration \(ETA\) standards](#). As the state will have little impact on federal requirements recognizing this the base model will retain interstate competitiveness and reduce regulatory conflicts.
 - “Better” – Meeting MDARD, MIOSHA/OSHA, and ETA standards. And, meeting additional heating/cooling, unit-based kitchen and bath, and laundry levels.
 - “Best” - Meeting MDARD, MIOSHA/OSHA, and ETA standards. Meeting additional heating/cooling, unit-based kitchen and bath, and laundry. And, expanded kitchen facilities, energy efficiency, communications capabilities.
- MDARD will develop a siting procedure for new construction in coordination with state/federal antidiscrimination agencies, as appropriate, to assist in new facility construction.
- Modify designs developed in conjunction with Habitat for Humanity (H4H) or other partnering entity(ies) to accommodate comfort, efficiency, and economy within state and federal standards (1.1, 1.2, 1.3). MDARD has received requests for these plans from many farmers in Michigan and a few across the nation. The MLHAB supports plan improvements focusing on economical expanded capacity, long-term housing operational cost reduction with improved occupant desirability. Standardization and bulk purchasing are to be considered.
- The multi-plex is the most popular MLH format and six-person occupancy is the most popular housing size. The MLHAB recognizes there are several factors including utility scaling costs leading to size determinations. Use of the H4H 600 square foot plan as a basis for the MLHAB identification of relative objectives will allow scale up for item one levels and provide guidance on larger scale facilities.
 - MDARD established a workgroup to review potential improvements associated with the above objectives. This group may include:
 - User - Camp occupants, current/potential operators, MLH inspectors, and health providers

- Agency - Federal Emergency Management Agency, Housing and Urban Development and USDA housing specialists, virologist, food safety specialists, land use specialists, state lead agencies from other states
 - Industry - Energy efficiency experts, Heating, Ventilation, and Air Conditioning (HVAC) experts, electrical specialists, manufacturers, and construction contractors
 - Seeking housing plans from northern states such as New York, Wisconsin, Indiana, Ohio, Pennsylvania, and West Virginia having somewhat similar climates including freeze cycles without occupancy, may assist in rapid deployment of demonstration units.
- Conduct housing surveys regarding capacity, preferred materials, appliances, bedding, utilities, and other areas as appropriate. Use of internal and/or external resources such as an intern, existing in-camp service providers, commodity organizations and/or other groups may provide sufficient responses.
- Energy efficiency is a clear interest of the current administration and an important part of the long-term costs of operating migrant and labor housing. MDARD should continue vendor provided “energy audits” in support of information regarding Return on Investment. Results are to be considered for inclusion in model housing plans. Results may assist in defining when an existing living unit should be replaced or establish cost effective options for retrofit.
 - Here are some design considerations that might be beneficial:
 - Stud optimization – A waste reduction strategy – think 16 inches, 24 inches, and 48 inches for stick built and 8 ft x 24 ft for structurally insulated panels.
 - Highest price input minimization – Traditionally labor and materials were about equal but has moved to ¾-1/4 mix.
 - Modularization – Concept encompasses traditional “modular” housing (2 halves, factory built moved to site) and the concept of “modularity” seeking optimization of building/use “systems.” Concept might include unitized kitchen surfaces with appliances.
 - Wet wall utilization – Most water uses on one wall or adjacent walls.
 - Mechanical consolidation – Consider HVAC above/along bathroom, somewhat centrally, allows low wall/floor air intake and high wall roof exhaust. This consideration would also be needed with dormitory style systems.
 - Heat Recovery Ventilator, Energy Recovery Ventilator, Mini-Split – Might be beneficial for cooling or possibly required for air-tight construction.

- Slab-on-Grade vs. Post and Beam vs. Stem Wall vs. Pad – Cost, access, maintenance, frost control.
 - Durability – Establish continuum of cost vs. durability for construction materials/processes/procedures.
 - Adaptability – Continue to create housing that can accommodate groups of individuals as well as various-sized families allowing anyone who travels to work in Michigan to feel welcome.
- MDARD has expertise in a subset of the items outlined for discussion above. However, the MLHAB is looking at integrating several features into a new cohesive housing plan. MDARD should seek funding (specialty crop block grant, or other “rural” development option) to hire an architect/engineer and other design professionals to incorporate MLHAB supported features into a model plan.
 - MLHAB will assist in surfacing operators interested in model unit installation.

MLHAB Siting and Zoning Recommendation

The Migrant Labor Housing Advisory Board recommends the Michigan Department of Agriculture and Rural Development:

- **Facilitate the development of informational guidance materials regarding siting, zoning, and construction of housing suitable for licensing under Part 124 of the Public Health Code. These materials will be designed to:**
 - **Meet the needs of local officials and decision-making boards, and**
 - **Include a listing of effective and discriminatory ordinance topics, and**
 - **Provide definitions for terms related to migrant labor housing. Guidance be developed in coordination with the Michigan Department of Civil Rights and other agencies as appropriate.**
- **Distribute the above guidance to appropriate parties via Interagency Migrant Service Committee members, MSUE, MLH inspectors and/or other groups as appropriate.**

With over 850 licensed housing facilities and projected occupancy over 28,000 workers and family, agricultural labor housing plays a major role supporting Michigan's economy. Over the last decade, the ability to renovate or site this housing has increasingly been limited. A lack of information and understanding has led to significant barriers at the local zoning level.

These zoning restrictions may have direct or indirect cost implications to successful viable farm operations.

Agricultural employers, worker advocacies, and various agencies support an adequate and economical supply of safe and healthy housing for agricultural workers and their families. Those seeking to improve, open, operate, regulate, or occupy this type of housing will benefit from accurate information.

Siting and Zoning Guidance Document

The guidance document(s) should include references to the multiple requirements currently applied to migrant farm labor housing, information regarding discriminatory practices, and sample zoning language. In addition, MDARD shall request direct input regarding licensed farm labor housing's inclusion in state's master plan^{vii} development requirements and distribute the guidance to affected organizations such as:

- Communities developing/updating Master Plans
- Zoning Administrators
- Michigan Association of Planners
- Michigan Association of Municipal Attorneys
- Michigan Bar Association, Agricultural Bar
- Michigan Department of Civil Rights Housing Unit
- Fair Housing Centers
- County Civil Rights Boards
- Local units of government with large migrant facilities

Migrant Labor Housing Infrastructure by Political Township - 2021				
County	Political Township	Camps	Units	Capacity
Ottawa	Olive	17	202	1,462
Van Buren	Columbia	24	194	1,177
Ottawa	Grand Haven	23	121	962
Kent	Alpine	25	167	861
Ottawa	Chester	11	88	765
Allegan	Casco	18	122	755
Berrien	Sodus	10	117	711
Berrien	Bainbridge	20	119	669
Kent	Sparta	20	108	632
Ottawa	Robinson	21	93	628
Ottawa	Wright	15	98	626
Van Buren	Keeler	13	103	580
Allegan	Lee	15	66	521
Antrim	Milton	9	63	521
Muskegon	Casnovia	12	109	520
Oceana	Crystal	22	77	512
Van Buren	Hamilton	8	67	510
Van Buren	Bloomingtondale	14	88	487
Oceana	Elbridge	20	72	447
Missaukee	Caldwell	22	36	426
Kent	Tyrone	11	69	425
Berrien	Berrien	14	75	336
Van Buren	Hartford	12	48	244

Siting of new, or replacement of existing, housing facilities has been economically challenging and increasingly difficult due to locally based restrictions. These restrictions may include disallowing licensed labor housing entirely, placing setbacks restrictions not required for similar development class, requiring two-year destruction bonds, and even requiring the immigration status of occupants. It is apparent that planning consultants hired by local units of government lack the necessary information about state or federal requirements for this type of housing and therefore leading to exclusionary provisions being adopted.

The Agricultural Recruitment System (ARS) and the Temporary Agricultural Employment program (H-2A)^{viii} require employers to provide free housing to workers within either program. Additionally, facilities under a USDA Rural Development housing loan require^x highly subsidized or free occupancy for farm workers. Virtually no other land-based private employers are required to provide housing, let alone free housing.

Many agricultural jobs are in rural areas with low rental housing availability^{xxi}. A significant percentage of farm worker jobs are located near significant recreational and resort areas leading to very costly housing options for the state's three weeks to 10-month production windows.

Proximity to work is a critical factor for both workers and their employers. A quarter of domestic agricultural workers do not have their own transportation. Temporary Agricultural Employees are unlikely to have their own transportation and employers are required to provide transportation for these workers.

Distribution

Michigan's Interagency Migrant Services Committee has a very diverse membership and decades of working with migrant labor and agricultural advocates. This committee will be included in efforts to raise awareness of siting and zoning issues so they can provide a consistent message when conducting outreach activities.

MLH inspectors work with hundreds of MLH providers and can be a key asset in the distribution of these materials. That may take the form of inspectors working with housing providers or generally improving understanding of the MLH program by local officials.

MSUE also has an extensive network of professionals providing training and resources to local decision and policymakers. They would be a prime candidate for materials development, testing, and potential long-term delivery of this vital information.

MLHAB Broadband Recommendation

The Migrant Labor Housing Advisory Board recommends the Michigan Department of Agriculture and Rural Development's Office of Rural Development coordinate with:

- **Michigan Infrastructure Office, and**
- **Michigan Office of High-Speed Internet, and**
- **Michigan Department of Technology Management and Budget's Connecting Michigan Communities Grant Program, and**
- **Michigan Economic Development Corporation Broadband Initiative, and**
- **Michigan High-Speed Internet Office, and**
- **Other federal, state, and local agencies, as appropriate,**

to ensure coverage for housing occupied by farmworkers and their families, food packers, food processors, and agriculture related businesses are made a high priority in Michigan's plans to deliver high-speed internet.

Each year, there are 94,000 people living and working in the farmworker community to tend, harvest and process farm commodities grown in Michigan. Some of these workers and family members travel long distances to remote communities with limited access to physical amenities. These skilled laborers would benefit professionally and personally by regular access to the internet and smart technologies. As an example, some fruit and vegetable crops must be harvested in a dew free environment. Broadband access would allow farm workers to arrive at the appropriate time each day. This ensures that work opportunities are not missed, and leisure time would not be hindered. In a modern economy with competitive demand for labor, highspeed internet is a critical infrastructure that should be available to all. This recommendation would:

- Make Michigan a more welcoming state to agricultural workers vital to the diversity of Michigan's agricultural economy;
- Dramatically improve access needed resources such as tele-health for underserved families;
- Broadband access is needed to cover social determinants of health and access to care;
- Reduce the isolation and depression risks for those away from their permanent residences through provision of video communications;
- Support housing providers use of smart technologies for energy efficiency, training, and communications;
- Meet local demand for educational and learning opportunities;
- Improve access to emergency services with the ability to communicate locally (triage) with first responders;
- Prioritize access to communication and information in rural and remote locations to improve equity;

- Allow farmers to perform human resources, safety, and payroll transactions with housing occupants;
- Support worker access to secure banking and other services requiring user authentication;
- Provide MDARD and the housing provider with near real-time reporting of inspection and licensing results;
- Support in-field data measurements and sensors, emergency management, and safety;
- Allow farmworkers access to leaf moisture data to reduce wait times during harvest; and
- Be able to utilize electronic papers posted either in each camp or at the entrance of each field to ensure worker safety regarding crop protection applications with all Pre-Harvest and Re-Entry Intervals.

MLHAB Community Access and Relations Recommendation

The Migrant Labor Housing Advisory Board recommends the Michigan Department of Agriculture and Rural Development:

- **Establish regionally located model housing demonstration facilities in coordination with the operator and provide access to local planning agencies, potential housing operators / occupants and community members access to unoccupied living units;**
- **As part of the Guidance for Siting and Zoning of Migrant Housing Facilities Board recommendation MDARD should develop community interaction guidance available housing providers and supported the Migrant Labor Housing Plan Review Process;**
- **Coordinate with other MDARD divisions, state, and federal economic agencies, and third parties to consolidate information on the significant benefits generated by Michigan's agricultural workforce; and**
- **Engage local resources such as Telamon, Migrant Resource Council Members, Michigan Works, migrant and economic advocacy groups, and county land bank authorities to carry migrant labor and zoning information to local decision makers.**

Accessing community services and healthcare facilities can be challenging for new and transitory residents. The agricultural workforce is no different and may face additional obstacles including lack of community acceptance.

Stereotyping using decades old, and typically suspect, information leads to unfounded concerns generating potentially discriminatory local responses to workers and their families. These local responses can directly and indirectly lead to unfounded hostility toward migrant workers and family members further isolating this workforce. Facilitating accurate communication can reduce friction and improve the welfare of farmworker housing occupants and the community.

MDARD can facilitate community interaction through establishment of demonstration facilities showcasing modern farmworker housing. These facilities may reduce local reticence to allow facility siting as municipalities could respond to community concerns.

Ongoing communication might be improved through a municipal complaint process regarding unlicensed facilities and an information platform for community activities to housing operators and occupants.

Demonstration Facilities

Decades of negative media projections and reduced farm returns have impacted the ability to update, renovate or establish new facilities. Municipalities are faced with aggressive negative portrayals of both the housing and the occupants. The industry has established limited new facilities using different construction techniques and layouts providing a basis for addressing specific community concerns and meeting the needs of operators and occupants.

Working with organizations such as Habit for Humanity, the Michigan State Housing Development Authority, utilities, and structure manufacturing companies could allow a coordinated effort to develop economic, efficient, and comfortable facilities that could meet the needs of multiple community housing needs.

Most current housing initiatives look to home ownership and rental facilities ignoring this industry's requirement to provide a significant level of free housing. The demonstration units will provide operational data to stimulate modernization or replacement of existing housing.

Construction techniques such as Structural Insulated Panels combined with onsite solar might allow for near zero net energy use and allow for effective climate controls. Combination systems such as modified unitized construction could achieve economy of scale. Truly portable units could be moved during the season to multiple sites needing only utilities hookups and might be self-contained, if necessary, for remote temporary work.

Plan Review Process

Current MDARD housing regulation requires a plan review for new or significant modification or renovation of existing housing. Incorporating siting and zoning into this process could reduce community friction and expedite effective siting. The process would provide guidance to assure facilities are within local, state, and federal provisions. Once determined to be within the requirements, MDARD would be authorized to support siting determinations with local administrators.

To facilitate this process MDARD could distribute the Guidance for Siting and Zoning of Migrant Housing Facilities document to communities with the largest concentration of existing facilities. As part of this process direct communication with selected communities can provide for effective revisions to support widespread acceptance of the guidance principles. While specific inclusion of this housing through Master Plan requirements or even a statutory requirement might provide the greatest assurance of accessibility it might cause additional friction.

Determination of likely discriminatory provisions could be communicated to municipalities and reported to state and/or civil rights agencies if necessary.

Community Benefits of the Agricultural Workforce

Moving from a reactive to a proactive position may reduce community friction issues. Lack of valid information continues to disrupt this workforce and the communities they reside in. Accurate information will benefit potential operators, current operators, occupants and the communities where they reside.

The identification of support resources, economic data, operational guidance, and regulatory guidance could reduce conflicts and improve worker and family welfare.

MDARD could adopt or coordinate with existing communication channels, including through expanded internet availability, to expand content for each group.

GLOSSARY OF TERMS

Migrant Labor Housing Advisory Board (MLHAB): Is defined under Rule 325.3603 in Part 124, Act 368, as amended also known as the Michigan Public Health Code. Rule 3. States the following: (1) The director shall appoint an advisory board to advise him or her on the administration of the act and these rules. The board shall consist of 14 individuals, 5 of whom shall be growers who employ migratory laborers or representatives of growers who employ migratory laborers and not less than 5 of whom shall be migratory laborers, former migratory laborers, or representatives of migratory laborers. Each member shall serve at the pleasure of the director but shall not serve more than 4 years unless reappointed. (2) The advisory board shall meet at the call of the director, except that the director shall call a meeting at the request of any 5 members of the board.

Michigan Department Agriculture Rural Development's Migrant Labor Housing Program: The Migrant Labor Housing Program is designed to ensure the safety of housing occupied by five or more migrant agricultural workers. Licensure indicates safe water supplies, fire and structural safety, proper sanitation of facilities, proper food preparation, storage facilities, and waste treatment and disposal. The program annually inspects and licenses approximately 870 locations with a capacity of 28,000.

Agricultural Labor Camps: A tract of land and all tents, vehicles, buildings, or other structures pertaining thereto, part of which is established, occupied, or used as living quarters for five or more migratory laborers engaged in agricultural activities, including related food processing. Other terms used: migrant labor housing, migrant camps, agricultural labor housing, migrant, and seasonal agricultural labor housing.

H-2A Visa Foreign Agricultural Workers: The H-2A Program is authorized under the Immigration and Nationality Act (INA) and allows a U.S. employer to hire foreign workers on a temporary basis to perform agricultural work when there are not sufficient U.S. workers available. Before the Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS) can approve a visa petition for H-2A workers, the employer must first receive a temporary labor certification from the U.S. Department of Labor including inspected and approved free housing.

Migrant Farm Workers: As defined in Part 124 of Act 368 are individuals working, or available for work, who move seasonally one or more times from one place to another from within or without the state for the purpose of such employment or availability or who are employed in the growing of mushrooms.

Seasonal Farm Worker: This is defined under the Migrant and Seasonal Agricultural Worker Protections Act (MSPA) regulations as individuals employed in agricultural employment of a seasonal or other temporary nature and is not required to be absent overnight from his permanent place of residence.

National Agricultural Workers Survey (NAWS): U.S. Department of Labor's National Agricultural Workers Survey is an employment-based, random-sample survey of U.S. crop workers that collects demographic, employment, and health data in face-to-face interviews.

Structural Insulated Panels (SIPs): Structural Insulated Panels (SIPs) are a high-performance building system for residential and light commercial construction. The panels consist of an insulating foam core sandwiched between two structural facings, typically oriented strand board. SIPs are manufactured under factory-controlled conditions and can be fabricated to fit nearly

any building design. The result is a building system that is extremely strong, energy-efficient, and cost-effective.

Agricultural Recruitment System (ARS): The Agricultural Recruitment System (ARS) helps agricultural employers recruit qualified U.S. workers on a temporary or seasonal basis, and provides workers seeking temporary agricultural employment with opportunities for such employment (see [20 CFR 653 Subpart F](#)). To use the system or apply for H-2A certification and employer must file a Form 790 Agricultural Clearance Order (domestic recruitment) or Form-790A H-2A Agricultural Clearance Order (foreign recruitment).

Michigan Zoning Enabling Act: Act 110 of 2006, an Act to codify the laws regarding local units of government regulating the development and use of land; to provide for the adoption of zoning ordinances; to provide for the establishment in counties, townships, cities, and villages of zoning districts; to prescribe the powers and duties of certain officials; to provide for the assessment and collection of fees; to authorize the issuance of bonds and notes; to prescribe penalties and provide remedies; and to repeal acts and parts of acts.

Federal Fair Housing Act: The Fair Housing Act, 42 U.S.C. 3601 et seq., prohibits discrimination by direct providers of housing, such as landlords and real estate companies as well as other entities, such as municipalities, banks or other lending institutions and homeowners insurance companies whose discriminatory practices make housing unavailable to persons because of: race or color, religion, sex, national origin, familial status, or disability.

Interagency Migrant Services Committee (IMSC): Formed in 1972, the Michigan Interagency Migrant Services Committee (IMSC) is the longest running interagency group for coordination of services to migrant and seasonal farmworkers in the nation. The IMSC is a forum for statewide coordination of service delivery to farmworkers, encompassing employment, education, healthcare, public benefits, legal services, and other assistance.

Migrant Labor Housing Plan Review: An inspection performed by MDARD Migrant Labor Housing staff prior to consideration of a camp for licensure. During a Plan Review building dimensions measured for occupancy determination, windows and doors are evaluated for egress natural lighting and ventilation, well and septic system permits are reviewed, and changes needed to bring the site into conformance with Part 124 are discussed.

Michigan State Housing and Development Authority (MSHDA): 2019 MSHDA Strategic Planning indicates the Authority is a partner in approximately 37 percent of all rental housing development (market and affordable). The rental development that MSHDA participates in represents approximately \$500 million of investment each year.

USDA Rural Development Farm Labor Housing Program: The Section 514/516 Farm Labor Housing (FLH) program provides loans and grants for the development of on-farm and off-farm housing.

2021 Migrant Farmworker Health Survey, Ottawa County, MI: The report provides a current snapshot of the health and well beings for a county with significant migrant labor population. Two-thirds (68.9 percent) of migrant farmworkers have no health care coverage, compared to 8.2 percent of the general population.

REFERENCES AND RESOURCES

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- ⁱ Migrant and Seasonal Agricultural Worker Protection Act regulations at [29 CFR Part 500.20](#)
- ⁱⁱ Public Act 368 of 1978 [Part 124](#) Agricultural Labor Camps
- ⁱⁱⁱ [20 CFR 653. 501](#)(c)(3) (vi) The availability of no cost or public housing which meets the Federal standards and which is sufficient to house the specified number of workers requested through the clearance system. This assurance must cover the availability of housing for only those workers, and when applicable, family members who are not reasonably able to return to their residence in the same day.
- ^{iv} [National Agricultural Workers Survey](#) (NAWS) 2017–2018 9 20 CFR 655.122 (h)
- ^v MIOSHA General Industry Safety And Health Standard [Part 511. Temporary Labor Camps](#)
- ^{vi} OSHA General Environmental Controls, [1910.142 Temporary Labor Camps](#)
- ^{vii} Master Plan Update Guide, Michigan Economic Development Corporation, Michigan State University Extension, Planning & Zoning guidance
- ^{viii} [20 CFR 655.122](#)(d) (1)The employer must provide housing at no cost to the H-2A workers and those workers in corresponding employment who are not reasonably able to return to their residence within the same day... Employer-provided housing, Rental and/or public accommodations.
- ^{ix} [HB-2-3560](#) 2.23 Field office employees are to ensure that owners of on-farm type LH financed under section 514 are not charging for rent, utilities, refundable damage deposit charges, or cleaning fees to residents, unless the rent, charges, and fees are approved by authorized officials.
- ^x The Michigan State Housing Development Authority, [Affordable Rental Housing Directory](#) does not have any listing in Van Buren or Leelanau counties. Both counties have significant seasonal labor needs.
- ^{xi} American Community Survey estimated the 2019 gross residential rent in Berrien County MI was \$755.



Fiscal Years 2023 Budget Update

Sylvia Renteria, Director of Finance and Budget

July 20, 2022



Legislative Status

- HB 5783 reported out July 1st
- Governor's signature needed to finalize budget
- Budget starts October 1, 2022

Year to Year Comparison

Funding Source	2022 Budget	2023 Conference	Increase (Decrease)	Percentage Change
General Fund - Ongoing	\$ 61,311,900	\$ 65,989,800	\$ 4,677,900	8%
General Fund - One Time	\$ 36,055,000	\$ 57,000,000	\$ 20,945,000	58%
Restricted	\$ 44,718,600	\$ 45,054,400	\$ 335,800	1%
Federal	\$ 13,599,800	\$ 19,670,900	\$ 6,071,100	45%
TOTAL	\$ 155,685,300	\$ 187,715,100	\$ 32,029,800	21%

One-Time Investments

One-Time Investments	2023 Conference
Economic Development for Food and Agriculture Industries	\$ 50,000,000
Office of Rural Development Engagement and Support	\$ 3,000,000
Animal Welfare	\$ 2,000,000
Local Conservation Districts	\$ 1,000,000
Buy Michigan Campaign	\$ 1,000,000
Total	\$ 57,000,000

Ongoing Investments

Ongoing Investments	2023 Conference
Food and Agriculture Preparedness, Readiness, and Response	\$ 1,600,000
Pesticide Safety For Underserved and Vulnerable Populations	\$ 1,170,000
Office of Rural Development	\$ 500,000
Cervid Testing	\$ 200,000
Total	\$ 3,470,000

Federal and Technical Adjustments

Federal	2023 Conference
Animal Industry Federal Support	\$ 500,000
Climate Action and Reforestation in Northern Michigan	\$ 5,400,000
Total	\$ 5,900,000

Technical	2023 Conference
Horse Racing Advisory Commission	\$ 125,000
Total	\$ 125,000



Supplementals

- SB 885 for agriculture and rural development is before the legislature for consideration
- Reversal for the agriculture equine industry development fund in HB 5783 was removed



Thank you!



MDARD Summary of 2021-2022 Michigan Legislature (Prepared 7/11/2022)

Type	Bill #	Subject	Date of Last Action	Last Action	Primary Sponsor	Position (if applicable)	Notes
House Bill	4842	Liquor: spirits; markup on spirits; revise based on distiller's use of Michigan distillate.	7/1/2022	Referred to Reg Reform	Outman	MDARD/LARA worked on sub	Assigned PA 135
Senate Bill	1018	Property: land sales; notification method for sale of certain real estate; modify.	6/30/2022	Referred to Senate Agriculture	Zorn	Neutral	Passed Senate Ag 5-0
Senate Bill	1019	Agriculture: associations and commissions; local agricultural or horticultural societies; modify stockholder requirements.	6/30/2022	Referred to Senate Agriculture	Zorn	Neutral	Passed Senate Ag 5-0
House Bill	5589	Animals: dogs; provision related to tattooing of dangerous dogs; repeal.	6/29/2022	Referred to House Judiciary	Puri	Support	Assigned PA 120
House Bill	5588	Animals: dogs; provision related to tattooing of certain dogs under the dog law of 1919; repeal.	6/29/2022	Referred to House Judiciary	TC Clements	Support	Assigned PA 121
Senate Bill	1058	Agriculture: diseases and pests; issuance of certificates of free sale in insect pest and plant disease act; provide for.	6/29/2022	Referred to Senate Agriculture	Daley	Support	Assigned PA 130
House Bill	5742	Agriculture: pesticides; issuance of certificates of free sale for pesticides; provide for.	6/29/2022	Referred to Agriculture	Cambensy	Support	Assigned PA 124
House Bill	5743	Agriculture: fertilizer; issuance of certificates of free sale for fertilizer; provide for.	6/29/2022	Referred to Agriculture	Steenland	Support	Assigned PA 125
House Bill	5744	Food: other; issuance of certificates of free sale in food law; provide for.	6/29/2022	Referred to Agriculture	Alexander	Support	Assigned PA 126
House Bill	5745	Agriculture: other; issuance of certificates of free sale in feed law; provide for.	6/29/2022	Referred to Agriculture	Borton	Support	Assigned PA 127
House Bill	5747	Food: milk; issuance of certificates of free sale in manufacturing milk law of 2001; provide for.	6/29/2022	Referred to Agriculture	Posthumus	Support	Assigned PA 128
House Bill	5748	Food: milk; issuance of certificates of free sale in grade A milk law; provide for.	6/29/2022	Referred to Agriculture	Filler	Support	Assigned PA 129

Senate Bill	977	Agriculture: associations and commissions; growth assessments audit requirements; modify.	6/15/2022	Senate Agriculture Committee	Daley	Neutral	Passed Senate 37-0
House Bill	6199	Agriculture: diseases and pests; notification to legislature of dangerous insects or infectious diseases found to exist; require.	6/14/2022	Referred to House Oversight	Alexander	N/A	EOG is lead on larger package
Senate Bill	1087	Agriculture: marketing; program referendum requirements; eliminate	6/13/2022	Referred to Senate Agriculture	Lauwers	Pending	MDARD lead
Senate Bill	802	State: symbol; wild rice; designate as the official native grain. Creates new act.	6/9/2022	Referred to Senate Agriculture	Hollier	Support	
Senate Bill	1059	Agriculture: weights and measures; general amendments to the weights and measures act; provide for.	5/26/2022	Referred to Senate Agriculture	Daley	Support	Formerly Witwer's bill
SR	139	A resolution to urge Congress to pass legislation that would allow farmers, along with coalitions and trade associations representing farmers, to petition the U.S. International Trade Commission to temporarily waive tariffs on imports of fertilizer and fertilizer ingredients imported from Morocco.	5/11/2022	Referred to Senate Agriculture	VanderWall	N/A	Dept. does not take positions on Resolutions
House Bill	5893	Agriculture: weights and measures; general amendments to the weights and measures act; provide for.	5/4/2022	Referred to House Agriculture	Witwer	Support	MDARD initiated
House Resolution	289	A resolution to urge Congress to pass legislation that would allow farmers to petition the U.S. International Trade Commission to temporarily waive tariffs on imports of fertilizer and fertilizer ingredients imported from Morocco.	5/4/2022	Referred to House Agriculture	Meerman	N/A	Dept. does not take positions on Resolutions
House Bill	5746	Agriculture: diseases and pests; issuance of certificates of free sale in insect pest and plant disease act;	3/23/2022	Referred to Agriculture	Bezotte	Support	Passed House 105-0 (replaced with SB 1058 in package)

House Bill	5704	Food: cottage food operation; certain requirements for cottage food operations and cottage food products; modify.	3/23/2022	Referred to House Agriculture	Glenn	Neutral	Passed House 61-44
House Bill	5671	Food: cottage food operation; cottage food operations; allow to sell, offer for sale, and accept payment for cottage food products over the internet.	3/23/2022	Referred to Committee on Agriculture	Julie Alexander	Neutral	Passed House 61-44
House Bill	5804	Health occupations: veterinarians; veterinarian-client-patient relationship; require under certain circumstances.	2/23/2022	Referred to Rules and Competitiveness	Alexander	N/A	LARA most likely lead
House Bill	5058	Food: adulterated; adulteration of food containing industrial hemp;	2/17/2022	Referred to Regulatory Reform	TC Clements	Neutral	Passed House, Referred to Senate Reg Reform
House Bill	5061	Agriculture: industrial hemp; certain activities under a processor-handler license and definition of industrial hemp commodity and product;	2/17/2022	Referred to Regulatory Reform	Postumus	Neutral	Passed House, Referred to Senate Reg Reform
House Bill	5617	Agriculture: industrial hemp; requirements for industrial hemp added to food or dietary supplement; modify.	2/17/2022	Referred to House Regulatory Reform	Pat Outman	Neutral	Passed House, Referred to Senate Reg Reform
Senate Bill	864	Drains: other; provision related to drain inspections; modify.	2/9/2022	Referred to Local Government	Kevin Daley	In progress	
Senate Bill	865	Drains: other; definition of per diem and compensation for drainage boards	2/9/2022	Referred to Local Government	Jeremy Moss	In progress	
Senate Bill	866	Drains: districts; drainage district boundaries; revise under certain circumstances.	2/9/2022	Referred to Local Government	Rick Outman	In progress	
House Bill	5700	Agriculture: pesticides; inspection requirements for aerial applicators; modify for out-of-state aircraft.	1/27/2022	Referred to House Agriculture	Lightner	Still formulating position	Hearing on 2/2 in House Ag
House Bill	5524	Appropriations: supplemental; general; provide for 2021-2022. Creates appropriation act.	1/27/2022	Appropriations	Albert	N/A	Passed House 96-6 on 1/27. \$5 million included for FDD

House Bill	4982	Food: other; labeling as meat a laboratory-grown meat substitute; prohibit.	1/26/2022	Referred to Agriculture	Beau LaFave	No Position-written testimony provided	Hearing on 1/26/2022
Senate Bill	4031	Labor: health and safety; violations of reports of injuries and death; modify	1/18/2022	Referred to Agriculture	Kahle	MIOSHA is opposed	Passed Senate 29-9 on 1/18/2022
House Resolution	205	A resolution urging the U.S. Congress, federal agencies, and state departments to address the ongoing fertilizer price increases and shortages that are impacting Michigan farmers.	1/18/2022	Referred to Committee on Agriculture	Steve Carra	N/A-Dept. does not take positions on Resolutions	
House Resolution	205	A resolution urging the U.S. Congress, federal agencies, and state departments to address the ongoing fertilizer price increases and shortages that are impacting Michigan farmers.	1/18/2022	Referred to House Agriculture	Carra	N/A	
Senate Bill	814	Individual income tax: credit; credit for certain motor fuel retail dealers; provide for. Amends 1967 PA 281	1/11/2022	Referred to Senate Agriculture	Kevin Daley	N/A	Treasury lead-opposed
Senate Bill	494	Agriculture: other; certain reporting requirements for environmental assurance advisory council and funding and standards for the MAEAP; modify, and eliminate water quality protection fee sunset.	12/16/2021	Referred to Senate Agriculture. Re-referred to Senate Appropriations	Daley	Support with Budget Deal	Assigned PA 123 of 2021
Senate Bill	7	A concurrent resolution to approve a designated open space land application for property in Kent County.	12/15/2021	Referred to the Committee on Agriculture	Thomas Albert	Support	Adopted by Full House and Senate-referred to the Clerk for record
House Bill	5595	Liquor: licenses; license to sell spirits or mixed spirit drink at a farmer's market; provide for.	12/2/2021	Referred to Committee on Regulatory Reform	Pauline Wendzel	N/A	LARA is lead agency
House Bill	4703	Crimes: animals; restitution for care and treatment of certain forfeited animals; impose penalty on ownership of animal to person convicted of certain crimes against animal.	11/10/2021	Referred to Judiciary	Wozniak	Neutral	Passed House 91/14 on 11/10-Referred to Senate Judiciary
House Bill	4704	Animals: care and treatment; restitution for care and treatment of certain forfeited animals; impose penalties upon owner.	11/10/2021	Referred to Judiciary	Wozniak	Neutral	Passed House 91/14 on 11/10-Referred to Senate Judiciary

Senate Bill	697	Individual income tax: credit; beginning farmer tax credit; provide for.	10/21/2021	Referred to Senate Finance	LaSata	N/A	Treasury is lead-opposed
House Bill	4801	Public utilities: public service commission; registration procedure for electric vehicle charging stations; provide for.	10/19/2021	Referred to House Energy	Schroeder	No stance in committee/MDARD opposed going forward	Passed the House 85-18- Sent to Senate Energy
House Bill	4802	Public utilities: public service commission; licensing of electric vehicle charging station operators; provide for.	10/19/2021	Referred to House Energy	Kuppa	No stance in Committee from MPSC	Passed the House 88-15 - Sent to Senate Energy
House Bill	5412	Housing: landlord and tenants; allocation of responsibilities; provide for with respect to prevention and management of bedbug infestation.	10/19/2021	Referred to House Regulatory Reform	Alex Garza	N/A	MSHDA/Legal are leads, MDARD 3PM provided comments
House Bill	5406	Creates the office of Rural Development	10/14/2021	Referred to House Gov Ops	Witwer	Support with changes	Companion bill to McBroom's
Senate Bill	682	Creates the office of Rural Development	10/7/2021	Referred to Senate Appropriations	McBroom	Support with changes	Pending hearing-Office was created via ED 2022-1
House Bill	4561	Food: licensing; licensing fees for certain food establishments; make refundable.	10/6/2021	Referred to Committee on Regulatory Reform	Roth	Opposed	Passed House 97-10 on 6/17, Passed Senate Reg Reform
House Bill	5374	Food: other; lead leachate levels for dinnerware; regulate. Amends sec. 6101 of 2000 PA 92	10/6/2021	Referred to House Health Policy	Julie Rogers	Analysis to be completed with movement	MDARD is lead
Senate Bill	258	Communications: newspapers and magazines; publication of public notices in newspapers; include requirements for publication by electronic means.	10/5/2021	Referred to Senate Local Government	VanderWall	Gov. Legal is lead/watching for CDs	Gov Legal is lead
House Bill	5059	Agriculture: industrial hemp; restrictions under the industrial hemp growers act; modify.	9/20/2021	Referred to Regulatory Reform	Mueller	Pulled	
House Bill	5285	Natural resources: nonnative species; advisory council to combat the online sale of aquatic invasive species; establish.	8/18/2021	Referred to Natural Resources and Outdoor Recreation	Sarah Anthony	N/A	EGLE/DNR leads (MDARD contributed to analysis)
Senate Bill	591	Food: other; use of PFAS, bisphenols, and phthalates in food packaging; prohibit.	7/15/2021	Referred to Environmental Quality	Jeff Irwin	Analysis to be completed with movement	MDARD is lead

House Bill	4603	Civil rights: open meetings; circumstances permitting public meetings of certain public bodies to be held electronically by telephonic or video conferencing; modify.	7/13/2021	Referred to the Committee on Agriculture	Joe Bellino	Legal took over as lead	Signed by the Governor on 7/13/21- PA 54'21 with immediate effect
House Bill	4516	Marihuana: liability; sale of marihuana to an individual who is younger than 21 years of age or visibly intoxicated; prohibit, and create cause of action for harm that the individual causes.	7/13/2021	Referred to the Committee on Reg Reform	Hauck	LARA/MRA	Signed by the Governor on 7/13/21- PA 55'21
Senate Bill	4517	Marihuana: other; definition of industrial hemp; modify	7/13/2021	Referred to the Committee on Reg Reform	Rabhi	LARA/MRA	Signed by the Governor on 7/13/21- PA 56'21
House Bill	5250	Food: other; use of PFAS, bisphenols, and phthalates in food packaging; prohibit.	7/1/2021	Referred to House Agriculture	Rabhi	Pending	MDARD is lead, other bill is Irwin's which will be EGLE
House Bill	5250	Food: other; use of PFAS, bisphenols, and phthalates in food packaging; prohibit.	7/1/2021	Referred to House Agriculture	Yousef Rabhi		
Senate Bill	582	Animals: care and treatment; conducting of research or training activities 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.	6/30/2021	Referred to Agriculture	Paul Wojno		
House Bill	5128	Medical marihuana: other; smoking medical marihuana in public places; expand prohibition against to include food service establishments.	6/29/2021	Referred to Reg Reform	Calley	N/A	LARA/MRA is lead
House Bill	5129	Marihuana: other; smoking marihuana in public places; expand prohibition against to include food service establishments.	6/29/2021	Referred to Reg Reform	Calley	N/A	LARA/MRA is lead
House Bill	565	Appropriations: supplemental; drinking water and water infrastructure improvements supplemental; provide for. Creates appropriation act.	6/24/2021	Referred to Appropriations	Bumstead	N/A	Multiple agencies are included in this supplemental which appropriates \$2.5 B Federal relief

House Bill	4912	Health occupations: veterinarians; veterinarian-client-patient relationship; require and provide for other amendments to the regulation of veterinary medicine.	6/16/2021	Referred to House Agriculture	Bezotte	N/A	LARA is lead agency, MDARD is watching, hearing on 6/16 in House Ag
House Bill	4823	Removes allocation of revenue cap under the lawful internet gaming act to the Michigan agriculture equine industry development fund.	5/27/2021	Referred to Agriculture	Alexander	Unclear of lead agency	Passed House Ag 8-3 on 5/19-on third reading
House Bill	4824	Removes allocation of revenue cap under the lawful sports betting act to the Michigan agriculture equine industry development fund.	5/27/2021	Referred to Agriculture	Hertel	Unclear of lead agency	Passed House Ag 8-3 on 5/19-on third reading
Senate Bill	493	Trade: business regulation; requirements for advertising of reduced gasoline prices; modify.	5/27/2021	Referred to Economic and Small Business Development	Jim Stamas		
Senate Bill	4895	Agriculture: pesticides; use of neonicotinoid pesticides; regulate.	5/25/2021	Referred to House Agriculture	Kuppa	N/A	Not moving
Senate Bill	4896	Agriculture: plants; classification of milkweed as a noxious or exotic weed by local governments; prohibit.	5/25/2021	Referred to House Agriculture	Steckloff	N/A	Not moving
House Bill	439	Environmental protection: permits; denial or imposition of additional conditions on; provide for when projects are located in environmentally overburdened communities.	5/25/2021	Re-referred to Transportation and Infrastructure	Runestad	N/A	MDOT/SBO are leads
House Bill	4599	Gaming: horse racing; breeders' awards; increase. Amends secs. 8, 19 & 20 of 1995 PA 279	5/11/2021	Referred to Agriculture	Alexander	Neutral	Passed House 106-1 on 5/11
HCR	4600	Gaming: horse racing; references to horse racing law of 1995 in 1951 PA 90; update. Amends sec. 2 of 1951 PA 90	5/11/2021	Referred to Agriculture	Cherry	Neutral	Passed House 106-1 on 5/11
House Bill	4394	Appropriations: zero budget; department of agriculture and rural development; provide for fiscal year 2021-2022.	5/11/2021	Appropriations	Allor	Opposed	Passed House 57-50 on 5/11
Senate Bill	77	Appropriations: zero budget; department of agriculture and rural development; provide for fiscal year 2021-2022. Creates appropriation act.	5/11/2021	Referred to the Committee on Appropriations	Roger Victory	N/A	Passed the Senate 20-15 on 5/11

House Bill	353	Food: licensing; waiver for licensing and registration fees for certain food establishments, water bottlers, and water dispensing machine owners for the 2021 to 2022 licensing year; provide for.	5/6/2021	Referred to the Committee on Regulatory Reform	Curtis VanderWall	Opposed	Passed out of the Senate 20-16 on 5/6. Referred to House Reg Reform
House Bill	354	Health: local health departments; waiver for licensing fees for certain food establishments for the 2021 to 2022 licensing year; provide for.	5/6/2021	Referred to the Committee on Regulatory Reform	Curtis VanderWall	Opposed	Passed out the Senate 20-16 on 5/6. Referred to house Reg Reform
House Bill	4784	Animals: care and treatment; definition of shelter for animals; modify.	5/5/2021	Referred to the Committee on Judiciary	Brann	Pending	No hearing
Senate Bill	4785	Crimes: animals; cross-reference in revised judicature act; update.	5/5/2021	Referred to Regulatory Reform	Brann	Pending	No hearing
House Bill	4786	Crimes: animals; cross-reference in animal welfare fund act; update	5/5/2021	Referred to Regulatory Reform	Brann	Pending	No hearing
House Bill	4874	Animals: care and treatment; definition of shelter for animals; modify.	5/4/2021	Referred to House Judiciary	Brann	N/A	MSP/Legal leads. MDARD providing care comments
House Bill	4420	Appropriations: zero budget; multi-department supplemental appropriations; provide for fiscal year 2021-2022.	4/29/2021	Appropriations	Albert	N/A	Reported from Full Appropriations on 4/29/21
House Bill	370	Environmental protection: hazardous products; glyphosate herbicide; prohibit certain residential uses of.	4/21/2021	Referred to the Committee on Environmental Quality	Rosemary Bayer	N/A	MDARD is lead agency, won't likely move
Senate Bill	4611	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.	4/13/2021	Referred to Committee on Agriculture	Tulio Liberati	N/A	Watching: Probably won't move
House Bill	5477	Food: other; sale of food items represented to be kratom products; regulate. Creates new act.	4/13/2021	Referred to House Regulatory Reform	Laurie Stone	Not engaging per EOG/Federal issue	The H-2 removed MDARD as regulating agency.
House Bill	186	Agriculture: industrial hemp; regulations for growing industrial hemp; modify.	3/25/2021	Referred to the Committee on Agriculture	Dan Lauwers	Support	PA 4 of 2021 signed on 3/25/2021

House Bill	4550	Courts: juries; postponement of jury service; allow for farmers during certain months.	3/23/2021	Referred to the Committee on Agriculture	Postumus	SCAO/Legal are lead agencies	Awaiting first hearing
House Bill	229	food: licensing; licensing fees for food establishments; provide waiver for 2021 to 2022 licensing year.	3/11/2021	Referred to the Committee on Regulatory Reform	Curtis VanderWall	N/A	Replaced with SB 353&354
House Bill	4497	Health; other; aerial spraying of pesticides to prevent and control diseases and environmental health hazards; require department of health and human services to provide notice to the public before implementation.	3/11/2021	Referred to Committee on Health Policy	Brad Paquette	N/A	Watching: DHHS is lead agency and is opposed
House Bill	4881	Animals: research facilities; certain research facilities to offer certain laboratory animals for adoption before euthanization; require.	2/22/2021	Regulatory Reform	Hertel	No Position	Hearing on 2/22 in Reg. Reform
House Bill	4882	Animals: research facilities; reporting requirements and penalties for noncompliance; provide for.	2/22/2021	Regulatory Reform	Brann	No Position	Hearing on 2/22 in Reg. Reform
Senate Bill	4246	Trade: business practices; gas tax rates posted at gas pumps; require.	2/16/2021	Referred to the Committee on Transportation	Beau LaFave	Opposed	
Senate Bill	136	Agriculture: pesticides; registry of individuals seeking to be notified in the event of the emergency use or application of pesticides on or adjacent to their property; provide for. Amends	2/16/2021	Referred to the Committee on Environmental Quality	Rick Outman	N/A	The Department worked with Sen. Outman to create an alert system outside of the legislative process.
House Bill	4186	Animals: exotic; applicability of certain provisions of the large carnivore act based on residency; modify.	2/9/2021	Referred to the Committee on Agriculture	Thomas Albert	Opposed	No hearing
House Bill	4165	Highways: bridges; tractors and farm equipment to cross the Mackinac Bridge; allow under certain conditions. Amends sec. 12 of 1952 PA 214 (MCL 254.322).	2/9/2021	Referred to the Committee on Transportation	Steven Johnson	N/A	MDARD/MDOT are co-leads